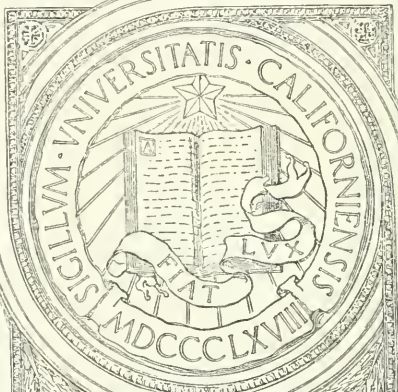




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AGRICULTURE AND THE COMMUNITY

By
JOSEPH F. DUNCAN



The Scottish Farm Servants' Union
Queensgate, Stirling

— AND —

International Bookshops Ltd.

London:
10 Johnson's Court, E.C.

Bradford:
103 Kirkgate

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1921

ALTHOUGH this book has been published by The Scottish Farm Servants' Union, whose General Secretary I am, and the general principles outlined have been adopted by the Union, I am solely responsible for the method of statement, and for the detailed criticisms and proposals.

I desire to express my thanks to my colleague, Miss MARY E. SUTHERLAND, for her help in revising the manuscript and reading the proofs.

J. F. D.

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Introduction.

THE following essay was written in the spring of 1921. Its purpose is to trace the causes which have operated to bring the agricultural industry to the position we find it in to-day and to discuss a policy by which the community will be able to make the industry contribute its proper share to the public welfare. I make no pretensions to any originality of treatment in analysing the causes of the decay of agriculture, or to have produced any new schemes of reform. I have purposely confined myself to the criticisms of those who are recognised as competent judges and have merely brought the criticisms together and tried to make the deductions which the facts warrant. The principal deduction I make is that the present system of private ownership and control of land, modified in some degree by legislation and administration, and the private control and management of farming operations for profit-making, have proved unable to make adequate use of the national resources, and that the industry, if left to be the private speculation of landowners and farmers, will tend to become less capable of supplying the needs of the community. The policy I propose is that the community should definitely make itself responsible for the maintenance of a standard of control and management of agricultural land, and for a standard of cultivation, and should set up the necessary machinery for enforcing these standards, taking over land and arranging for farming on its own responsibility.

When the essay was written the Government policy of subsidising agriculture was in operation, and I discussed at some length the effect of that policy and gave my reasons why I thought the policy was a bad one. The sudden reversal of that policy a few days ago may seem to render that section of the essay superfluous. I have decided to let the section stand as written. I think I may claim that there at least my argument has been proved true.

The farmers have reason to complain that they have been unfairly dealt with by the Government. Whether they were wise in trusting the industry to the vagaries of politics is another matter. They cannot say they were not sufficiently warned. Those of us who were in the minority on the Royal Commission on Agriculture did our best to warn them of the risks they were running, but without avail. For the Government there is no excuse. Not only was the policy of guarantees adopted by the Government, but an attempt was made to give it a permanency unusual in legislation in this country by the proviso for four years' notice of change. They have broken faith with the farmers. The fact that they can do so with impunity is the bitter lesson for the farmers. No Government could carry on a policy of subsidising farmers which would entail large drafts on the taxpayer, and when the farmers realise that fact we shall have come to the end of guaranteed policies and protection.

The farm workers in England have much more reason to complain of the Government change of policy regarding their wages. The establishment of the Wages Board altered the whole position in the industry in the fixing of

wages and conditions. The workers accepted the procedure laid down by the Government and relied upon the machinery provided for adjusting wages and working conditions. To sweep away the machinery at the time when the reversal of the guaranteed prices tends to encourage farmers to make an attack on wages, is to leave the workers to face an entirely new situation bereft of the machinery to which they had been invited to entrust the settlement of these questions. The Government's action is a direct invitation to the farmers to attack the standard of living of the workers. In Scotland the position is different. There the workers never had any faith in the wages policy of the Government and took their own line of action independently of the Committees set up under the Act.

The position for the community is quite as serious, however. By sweeping away even the meagre control of farming which the Agriculture Act gave, we are thrown back to uncontrolled private speculation in the management and cultivation of land. That was the danger of interlocking prices, wages and control. If we are to wash our hands, as a community, of the agricultural industry in this way and leave it to muddle along, with landlords refusing to equip and maintain the land, and farmers playing for safety by letting down the land, and the workers left to sink or swim as they may be able, we may bid farewell to any revival of agriculture in this country. To decontrol agriculture and do nothing else is simply to declare we have no policy in agriculture. I submit that the policy I have outlined is all the more urgent because of the sudden reversal of the Government policy and that

we cannot afford to leave agriculture to the uncontrolled activities of private landlords and farmers, concerned merely with securing their own interests. The interest of the community does not coincide with these sectional and class interests. The interest of the community is to get the best use made of the land and that it will secure only by accepting full responsibility for the use the land is put to.

AGRICULTURE AND THE COMMUNITY.

I.

The Organisation of the Industry.

System of Tenure.

British agriculture differs from that of other old and settled countries in two important directions. The land is held by tenants in comparatively large holdings. In England and Wales in 1919 only 11.68 per cent. of the occupiers of agricultural holdings owned or mainly owned their holdings, while the acreage so held represented only 12.32 per cent. of the total under crops and grass. This in spite of the fact that for 12 months previous to the date on which returns were collected a large number of sales of land had taken place and newspaper readers were being assured that the land of England was changing hands. As compared with 1913 the percentage of occupiers who were owners had increased from 11.19 per cent. to 11.68 per cent., while the percentage of the total acreage occupied by owners had increased from 10.65 to 12.32 per cent. In the same year while the number of occupiers of holdings of 150 acres and over formed only 12.29 per cent. of the total number of occupiers in England and Wales, the area held in holdings of 150 acres and over formed 52.65 per cent. of the total area under crops and grass.*

There are thus three distinct classes directly interested in agriculture: the landlords who own the land and the

* See Tables, pages 52 and 53.

permanent equipment of the farms, such as houses, steadings, etc.; the farmers, who provide the working capital and control the business of production; and the workmen, who are employed by the farmers and work for wages. It is unfortunate that we have no precise information which would bring out the relative number of people included in each group or which would show the extent and nature of their interest in the industry. Such statistics as are available do not enable us to estimate accurately the number of owners of land and the rent which they draw from agricultural land. We have the figures of the census giving the number of farmers and the different classes of wage-earners, but we have no reliable information as to the capital employed in agriculture by these farmers or the returns in the form of profit on capital employed, nor have we any accurate information as to the amount the industry pays to the workers in wages. The last return of landowners, known as "The New Domesday Book," was made in 1873, and Sir Leo Money in 1905, working from the data there supplied, estimated that one half the area of the whole country was owned by 2500 people. The number of farmers and graziers, both men and women together, with their relatives of both sexes assisting, given in the census returns for 1911, was 383,333 in England and Wales. The number of workers of both sexes employed in agriculture was 678,503.

The facts given above are sufficient to establish the general statement that the land in Britain is owned in large estates by a comparatively small number of private owners and let to a large number of tenants whose holdings range

from small patches to large-scale farms, but that the typical farm ranges round about 200 acres and that these farms are worked by capitalist farmers employing workers who are paid wages. This system has grown up within the past 150 years and may be said to have become established during the last century. It has been a natural development alongside the development of the large-scale manufacturing industries in this country. The rapidly increasing population in the manufacturing centres making greater demands for the production of breadstuffs, meat and milk for sale, and at the same time attracting the workers from the land, has aided this development of agriculture. During the first half of the 19th century this demand led to rising prices which enabled the farmers to increase their profits and the landlords to increase their rents, so that there was a stimulus to both these classes to increase the scale of their operations. The small owners and occupiers who had been steadily decreasing for three centuries gave way before the economic pressure of the other interests or were driven from their holdings by the political power of the land-owning class exercised through the Enclosure Acts. The opening up of the markets of this country to the unrestricted importation of food supplies from abroad and the development of the wheat lands of the New World lessened the return to landowners and farmers, and put a check to the tendency to the amalgamation of holdings. It did not affect to any extent the distribution of land, and even the attempts by legislation during the last three decades to establish smallholders on British land have done little to modify the general development of British agriculture. The depression of the last

twenty years of the 19th century changed the methods of cultivation but made little impression on the main lines of the structure of the industry.

The system of land tenure in this country and the organisation of the agricultural industry have not developed without criticism. The criticism has generally been directed towards the excessive depopulation of the rural districts and the degradation of the social condition of the farm worker. Such criticism has, however, been sporadic, and until recent years did not result in any organised effort by the community to alter the relations of landlord, tenant and worker. Despairing efforts were made from time to time by the workmen to better their position, but against the power of the landowners and the farmers and in face of the indifference of the general community, these efforts made little impression. Minor changes in the relations between the landlords and the tenants in the direction of limiting the power of the landowner by giving security for the capital of the tenants, were introduced. So long, however, as the community secured an abundant supply of cheap food from abroad, it concerned itself very little with the agricultural industry and left the classes immediately interested to settle their relations between themselves without making any demands on the industry. There were signs in the earlier years of this century that the indifference of the community was giving place to a critical attitude towards the industry and there was a tendency to make demands upon it in the public interest. The right of the landowners to control the use of land as seemed best to them was being challenged. The use being made of the land by the farmers

was criticised from the standpoint of production, and the condition of the worker began to trouble the social conscience. The community was no longer inclined to leave the industry to pursue its own course, but vaguely and incoherently showed signs of judging its use of the nation's land and its contribution to the common welfare. The answer given by those who defended the present system was that with all its defects the system worked better than any other system which could be suggested for British agriculture. They asserted that such defects as it did show were due to the neglect of the industry by the State and its failure to assist the industry against foreign competitors.

The landowners were on the defensive against the political campaign launched by Mr. Lloyd George. The farmers were uneasy because of the beginning of Trade Union organisation amongst the farm workers and the threat of a minimum wage enacted by legislation. The workers were beginning to stir themselves hopefully in another effort to secure reasonable conditions of living. Everything seemed to point to the industry being faced with political and industrial changes of a far-reaching character.

The outbreak of war altered entirely the position of the industry. The nation found its overseas supplies largely cut off. Turning to the agricultural industry it made demands on it for an immediate increase in the production of food, and criticism since then has ranged round the capacity of British agriculture to maintain a larger food production from the soil of Britain. Under the stress of national emergency the community has discovered that it

cannot leave the agricultural industry to be the concern of those immediately engaged in it. The risk of a blockade becoming effective in war-time brought home acutely to the community how little it could depend on its own production. It brought to a head the rather vague criticisms which had been heard before the war. It began to dawn on people that the most important agricultural interest was that of the community and that each class engaged in it must be judged by its contribution towards the national welfare. The demand made upon it was for public service. If the world settles down again to peaceful industry the force of that demand may lessen. It is not likely, however, to disappear.

The Landowner.

We often hear it said that there are three partners in the industry of agriculture—the landowners, the farmers and the wage-earners. The function of the landowner is declared to be the provision of the land and its permanent equipment, for which the farmer pays rent. How much of this rent may be properly reckoned as payment for the use of capital spent in improving and equipping the land we have no means of estimating. The defenders of private ownership of land would have us believe that rent is nothing more than a moderate rate of interest on capital expended by the landlord in this direction. Lord Ernle in “English Farming Past and Present” (2nd edition, p. 398) says:—“Landlords spent their money liberally on the up-to-date equipment of their land with houses, farm buildings, cottages, drainage, fences, roads; mainly by their expenditure, directly or indirectly, prairie land has been converted into agricultural land. Tenants hired the

use of all this capital at the moderate rate of interest which is represented by the rent." There is no historical justification for this claim. Caird estimated in 1878, and his figures have generally been accepted, that the rent of cultivated land per acre in 1770 was 13/-; in 1850, 27/-; and in 1878, 30/-. In "Progress of the Nation" (Porter and Hirst, 1912, p. 119) figures are quoted based on returns for 132,000 acres up to 1871, and 400,000 acres after that date:

	s.	d.		s.	d.
1851-1855	-	20 9	1880-1883	-	26 9
1856-1860	-	23 1	1884-1886	-	24 11
1861-1865	-	23 7	1887-1889	-	22 11
1866-1871	-	24 8	1890-1892	-	22 10
1872-1874	-	28 10	1893-1894	-	21 8
1875-1877	-	29 4	1895-1896	-	21 1
1878-1880	-	27 6			

Professor Nicholson writes:—"It is no doubt true that at the end of the 18th century and at the beginning of the 19th the very great rise that took place in rents, sometimes fivefold, was not due entirely to improvements and the increase of produce." Lord Ernle's book, already quoted, may be consulted to show that other causes than the improvements effected by the expenditure of the landlords' capital on land operated to produce an increase of rent. Dealing with the increase in the value of land between 1857 and 1875, Caird in "Landed Interest" (p. 98) says:—"This vast increase in the value of landed property within the short period of twenty years is very remarkable. It has been already shown that the improvement expenditure effected by loans has been fifteen

millions. If we assume that even three times as much has been effected during the same period by private capital without loans, we here see that the capital wealth of the owners of landed property has been increased by three hundred and thirty-one millions sterling in these twenty years, at a cost to them which probably has not exceeded sixty millions. This increase, as elsewhere explained, has arisen chiefly from the great advance in the consumption and value of meat and dairy produce, and is thus only in part the result of land improvement." The two periods of rapidly rising rents were those of the Napoleonic wars and the European and American wars of the 'fifties (Ernle, pp. 210 and 372). Rising prices were followed by rising rents. The value of the land was not increased by the capital expenditure of the landowners, but because the landowners were able to exact an unearned increment from the consumers through the farmers.

Even if we allow for the fall in rents during the last twenty years of the 19th century, it is clear that a considerable proportion of the payment made to landowners in the form of rent cannot be reckoned as interest on capital expended in improving the land. It ought also to be remembered that the capital spent by the landlords in improving the land was itself largely drawn from the rents paid by tenants for the use of land. Whatever proportion of rent may be reckoned as payment to the landlords for the use of the capital expended by them in improving the land, it is obvious that from the point of view of agriculture any payment made to the landowners as economic rent for the unimproved land contributes nothing to the value of the industry. It should be re-

membered also that, on a large number of estates, the improvements were the work of the tenants and the increased rents resulting from these improvements have been secured by the landlords. In Scotland the system of "improving leases" was a method by which impecunious landowners let land at low rents to the tenants, who found the rents raised on them at the end of the leases, thus paying for their own improvements. There was also the system of tenants paying interest on the cost of improvements, which meant that they really paid for the improvements.

It is claimed that, besides providing the land and its permanent equipment, the landowners perform a necessary service to agriculture by managing and maintaining the estates; by selecting and guiding tenants; by sharing in the losses through reductions in the rent, and by acting as the natural leaders in the industry. So long as the land is cultivated by tenants, the management of the land will be a separate function and it is contended that the interest of the private owner secures this management most efficiently.

How far the private ownership of land in the past may be defended on these grounds I am not concerned to discuss at the moment. What we have to consider is, whether the landowner to-day is providing the necessary permanent equipment to enable the industry to develop, and whether his management of the land results in the best use being made of the soil. In other words, is the landowner a partner in the agricultural industry who is performing a useful function which could not be performed better by any other agency? Considered from the point of view of

agriculture, unless that question can be answered unhesitatingly in the affirmative, there is nothing sacred in private ownership of land which ought to deter us from considering an alternative. In the words of Lord Ernle, "Private property in land is not so exceptional in its nature as to make its tenure legally assailable. But the moral title deeds by which some of it is held are not, historically, without a flaw; and no prescriptive rights, according to modern reading of ancient maxims, can be acquired against the People" ("English Farming," p. 397).

The president of the National Farmers' Union of Scotland, Mr. James Gardner, giving evidence before the Royal Commission on Agriculture, 1919, spoke of "the more or less derelict condition of the permanent equipment of many farms in drainage, housing, fencing, and the great difficulty at the present time of getting these put in a proper state of efficiency." In reply to a question he answered, "I think that in the majority of cases the permanent equipment is more or less inefficient." He agreed that this was not a new state of affairs and that it was due to the fact that the cost of such improvements was not a good investment. Most of the other farmers who appeared before the Commission agreed that the landowners were not able to make the capital expenditure required. Every writer on agriculture in recent years accepts this as merely a statement of the facts. Lord Ernle devotes a large part of the final chapter of his book to a sympathetic description of the plight of landowners. "Something of the same apathy is certainly visible in the management of many estates. Much ought to be done

which is left undone to put land to its most profitable use, and to adapt its equipment to the requirements of diversified farming. The impoverishment of the landowners by the new burden of taxation, which not only cripples their incomes but cuts into their capital, is undoubtedly the main cause of the neglect. They have not the money with which to make the necessary changes. To say this, however, is only to say that the modern system of farming has broken down in one of its most essential features. . . . The land has suffered and is still suffering. Thousands of acres of tillage and grass land are comparatively wasted, under-farmed and under-manned." ("English Farming," p. 398). The Duke of Richmond and Gordon, speaking in March, 1921, said "he feared very much whether in the future large landowners would be able and have the money to maintain their estates in the way in which they had carried them on in former years. Many hardly realised the difficulties that now were upon such landowners. In many cases on his property all that came to him out of £1 rent was from 2/6 to 3/-." He went on to suggest that the only way in which the landlord could live was by disposing of a number of his farms. Coming from an owner of well-managed estates, the statement is significant.

The acknowledged inability of the landowners to finance their estates has been further confirmed by the large number of estates which have changed hands in the last few years. At first sight it might appear that the prices paid for these estates indicated that the purchasers had sufficient confidence in the industry to offer enhanced prices, and hoped to be able to maintain them as going

concerns. That is not a correct reading of the facts. Wealthy people buy estates, not for their agricultural value, nor because they are looking for investments, but because the ownership of land gives them a social position and a standing in the county, which other forms of wealth fail to give. Thus it is that while landowners complain that the returns they receive from their land do not enable them to maintain the permanent equipment of their farms, there is never any lack of buyers who are content to pay a price for agricultural estates which will not give them a net return on the purchase price of more than 3 to 4 per cent. per annum.

The truth is that land in this country is not owned by people who are primarily interested in agriculture, or who become possessed of land because they desire to develop the industry. The principal motive is social. Ownership of land gives prestige and political power. Hence the waste of land for sporting purposes and for the amenity of the owners' residences, the indifference and incapacity of much of the estate management.

It is clear that the owners of land are not performing the function in agriculture which is given as the chief justification for our system of land tenure. They are not maintaining the permanent equipment of the land as a going concern. Some of their defenders allege that this is due to the burden of rates and taxes and the sums exacted in Death Duties. Whether or not this is a legitimate complaint need not concern us here, as not even those who complain most have any hope that these burdens can be removed. Whether or not the returns in the form of rent are sufficient to enable the landlords to spend more

than they are spending on the equipment of the land is a highly controversial question, but for practical purposes it is relatively unimportant. Here and there a good case can be made out that the land is under-rented, but taking agricultural land generally, the rents paid at present are as much as the land will bear under the present system. Farmers at any rate will not agree that the landlords' difficulties are to be solved by a general increase in rent.

What we have to recognise is that the estate system has broken down so far as agriculture is concerned. Capital is not being put into the land to develop it for agricultural purposes, nor are there any indications that the owners of land have sufficient confidence in the development of the industry to induce them to make the necessary expenditure. The land is being let down because, in the words we hear so often used, "it does not pay to spend money on land." Whatever the reasons alleged may be, there is a general feeling of helplessness and hopelessness on the part of landowners. They are unable to carry out the principal function in agriculture by which they seek to justify their position, the provision of the permanent equipment of the land.

Nor is their position any better so far as the management and control of the estates is concerned. When it is remembered that the possession and control of land are sought for social reasons rather than for agricultural reasons, the result should not be unexpected. Their interest is not in the business of agriculture. They do not care to incur the odium of being strict with slack tenants. Their social position and their influence in the county are more important to them than the successful

management of the land as an agricultural subject. The position has been very moderately stated by Sir Daniel Hall in "A Pilgrimage of British Farming" (p. 437): "If we consider the men who are engaged in this business of agriculture, we must conclude that the owners, however kindly and helpful to their tenants, are yet deficient in leadership. There is nowadays no one to set beside Coke of Norfolk or the landowners who did pioneering work in the second quarter of the nineteenth century; almost the only working part they take in agriculture consists in the breeding of pedigree stock, and that rather as a form of social competition than the improvement of farming. The great opportunities of leadership they might exercise in the way of drawing their tenants into co-operative marketing and purchase, or improved methods of farming, are rarely or never exercised; at their worst, landlords become mere rent receivers and must inevitably become crowded out unless they take some higher view of their function."

Five years later the same writer in "Agriculture after the War" (p. 66) sums up the position very tersely: "The one thing the landowning class in this country have lacked has been technical knowledge; they have not treated landowning as a career nor qualified themselves to give a lead to their tenants. Nor have their agents brought a more enlightened outlook to their profession. The root of the evil lies in the owners' want of technical knowledge of the land."*

* It is significant that the same criticism was made by Caird in the middle of last century. cf. "English Agriculture," 1852, 2nd edition, pp. 49a et seq., and "The Landed Interest," 1878, p. 103.

If confirmation of the view that the landowners have failed in the function of managing their estates is required, we find it in the widespread demand put forward by the farmers for security of tenure and judicial rents. They are not prepared to trust their capital and industry to the management of the owners of land. If the demand for security of tenure and judicial rents were put forward by the unenterprising and timid section of the farmers, it would not be so important, but when it is put forward by the most enterprising and alert section of the farming community, is a significant proof of the breakdown of the estate system on the side of management. "It is a significant fact," says the Minority Report of the Royal Commission on Agriculture, 1919, "that, almost without exception, the farmers who have given evidence before us have insisted on the necessity for greater security of tenure being given to farmers. This insistence is quite as strong on the part of the farmers in Scotland, where the leasehold system is prevalent, as on the part of the farmers of England and Wales with their yearly tenancies. It is impossible not to recognise that there is no subject on which farmers are so unanimously in agreement." The recent Agriculture Act is merely the latest attempt by legislation to protect the tenant against the landlord. Legislation limiting the powers of owners over agricultural land has been steadily growing until now the balance is swinging over to public control because of the failure of the private owners.

It has been claimed for the landowners that they were the pioneers of improvement in agriculture in this country. There were certainly outstanding figures amongst the

landowners in the first half of the nineteenth century who were leaders in the industry. In scientific and technical work they made a substantial contribution to the building up of the industry. They were exceptional however, and not all the landowners could claim their distinction. There were outstanding landowners who were distinguished in the opposite direction. But whatever claim may be made for past services by the landowners, the initiative has now passed out of their hands. In education, scientific research and technical demonstration the lead is now taken by the State and the cost is borne by the community. The landowners can put forward no claim to-day on this ground.

We may sum up the position then by saying that whatever claims the landlords may put forward because of past services, so far as agriculture is concerned to-day, they are no longer effective partners in the industry. They do not provide the money necessary for maintaining the permanent equipment of the land as it ought to be maintained if agriculture is to become a progressive industry; they do not manage the land in a way that helps forward the conduct of the industry; and they have failed to bring leadership or initiative to its development. By legislation, administration and organisation the functions by which they justify their position in the industry have passed from them. They tend to become more and more mere receivers of rent for agricultural land.

The Farmer.

No systematic attempt has been made to survey British agriculture. The nearest approach we have is Sir A. D. Hall's "*Pilgrimage of British Farming*," but valuable and

illuminating as it is, it is more a series of impressionist sketches than a systematic survey. There have been numerous critics of farmers, and of our system of agriculture, but the tendency has been to make sweeping generalisations based on contrasts with other countries, rarely with sufficient allowances being made for widely different conditions, or on comparisons with previous periods in our own history, or from unqualified statistics of rural depopulation. Thus we have had Dutch, Danish and German agriculture compared with British agriculture and the methods of these peoples commended to our farmers. The higher production of these countries is generally stressed, but it is seldom that sufficient allowance is made for the widely different conditions, social, industrial, geographical and economic. Such comparisons help us but little to estimate the possibilities of agriculture in our own country, unless we have constantly in mind how difficult it is in an industry such as agriculture to transplant methods from one country to another.

Perhaps the two lines of criticism which have been most popular in recent years have started from a contrast between the area under cereals in the 'seventies of last century, and the area under the same crops in the first decade of this century, and the decrease in the number of workers employed in agriculture over the same period. It is a facile criticism, and like most facile criticisms, essentially unsound. British agriculture survived the crisis of the last two decades of the nineteenth century only because it changed its system, and relied less upon corn growing. The crisis was accentuated because of the

slowness of both landlords and farmers to face the new situation created by the development of the corn lands of the New World. That the change when it did come swung over too far to the other extreme is true, and that farmers as a class had the lesson so deeply bitten into them that they were unnecessarily timid when the tide began to turn towards the end of the first decade of this century is proved by the successful work of the more enterprising and vigorous farmers in all districts. Sir Daniel Hall's book gives much interesting evidence of this all over the country. From the national standpoint the decay of cultivation is a serious question, but when all the circumstances are taken into account, any sweeping generalisation based on the increase of grass land is essentially unfair to those who had to bear the brunt of the bad times.

Nor is it enough to point out that the number of workers employed on the land has steadily decreased. Agriculture in every land is faced with the problem of how to retain its labour supply in competition with the industrial centres. The problem is largely a social one and agriculture in the nature of things will always be handicapped because of the gregarious instincts of human beings. We have also to take into account the changes which have been effected in agricultural methods. Although much has yet to be done, agriculture has been following the course of all other industries and endeavouring to increase its mechanical power and lessen its dependence on human labour. From the point of view of the agricultural workers that is all to the good, and if they had been able to follow the example of other workers and

increase their earnings by organisation, the process would undoubtedly have been accelerated. We may agree that it is in the best interests of the community considered from the social standpoint, that there should be a larger proportion of our people engaged in agriculture and leading the more settled and stable life which a rural community provides, but that is limited by the economic power of the industry to maintain its workers at a reasonable standard of existence, with proper social opportunities. A larger agricultural population living at the level of our agricultural workers during the past generation would not have been a source of strength to any community.

Both lines of criticism are sound only so far as it can be shown that in the situation facing the farmers in this country they failed to cultivate as much of the land as they could with economic advantage, and that they failed to retain the workers necessary for this greater cultivation, and to give the workers such a standard of living as made it possible for them to remain in the industry. Here we enter on very debatable ground. Farming cannot be tested like other industries. It is conducted in the main by a large number of private capitalists whose returns are not published and whose incomes do not come for taxation purposes under any review which enables reliable statistics to be collected. It would almost seem that farmers are rather proud of the fact that they do not keep books. They are secretive and notoriously unwilling to admit that they ever make profits. Anyone reading the evidence led by well known

farmers before the Royal Commission on Agriculture, 1919, must be amazed at the tenacity with which they stuck to their plea that farming does not pay, even in face of the figures they themselves submitted, most of which were estimates at the best, and not actual records of transactions. The conclusion arrived at by the Committee appointed by the Agricultural Wages Board to enquire into the Financial Results of the Occupation of Land, 1919 (Cmd. 76), is probably as fair a summing up of the financial position of agriculture in England and Wales, as will be found:—"The Committee find considerable difficulty in arriving at a just conclusion on either of the questions referred to them. The evidence before them cannot be said to allow of a demonstration of the financial position either of the occupiers of land or of the workers upon it. Certain indications emerge, but the arithmetical results can only be accepted with qualifications, and in the result the Committee are bound to exercise their own judgment in submitting what they consider to be reasonable deductions from the facts and figures. The problem is complicated by the fact that while precise information is regrettably sparse, general statements are very freely and confidently made, in good faith by those who might be expected to be well acquainted with the facts. Nothing is more common than the allegation that farming is normally an unremunerative business—that year after year occupiers of land lose money. If farmers systematically lost money, not only would none remain in the business, but no one would be willing to enter it. The fact is that the profits in farming, or more precisely, the rate of interest earned on money

invested in farming, are, and will always be, as a rule, less than the profits or interest obtainable in other businesses. The man who has, say, £5,000 or £10,000 to invest in a business from which he proposes to make a livelihood, will generally get a smaller remuneration for his personal work and a lower return for his capital than if he invested the same amount of capital and devoted his personal energy to another form of commercial enterprise. The reason is clear and well-recognised. The occupation of a farmer has attractions to a very large number of persons apart from the amount of money to be made by it. So long as men prefer life on a farm with moderate income, to life in an office or shop with a much larger income, so long will the average profit on turnover or the average interest on capital be less in the business of farming than in other businesses involving the investment of capital."

Sir A. D. Hall, writing in 1910, in "A Pilgrimage of British Farming" (pp. 146-7) is even more confident as to the position of the industry:—"But if the methods of British agriculture are very diverse, they seemed uniformly to be meeting with a very fair measure of success, for one could not but conclude that the industry as a whole was in a prosperous condition and had healthily and stably recovered from the great depression that lay upon it as recently as fifteen years earlier. Our views were doubtless coloured by the fact that we almost inevitably saw one of the leading farmers in each district we visited, and, again, did not meet with the number of other men who, from lack of business aptitude or some initial handicap, were still struggling desperately to make both ends meet.

Still, we concluded that farming was in a good way and was yielding a fair return upon the capital embarked in it, though it was never likely to lead to a fortune. Of this prosperity the best external evidence was that we could very rarely hear of any farms to be let, while in every part of the country the good farms were bespoken long before they came into the market. Rents, too, were rising; we heard over and over again of re-letting at an increased figure, especially where the farms had been put up for competition. We even heard of one or two cases of rent having been raised on a sitting tenant, and no landlord or agent would incur the unpopularity of such an action unless he had very solid grounds for supposing that it was justified." In the same book (p. 431), writing two years later, he says, "We must recognise that the industry is at present sound and prosperous."

This view of the economic position of the industry as a whole, which is held by those most competent to judge, may be set against the ingrained pessimism of the farmers. It entitles us to say that the failure of the industry to make effective use of the land, is not to be explained by reference to the alleged unremunerative character of the industry. That there is such failure, is common ground with those entitled to judge. Lord Milner, who was chairman of the Departmental Committee on Food Production in 1915, summed up his impression of agriculture in England in the evidence he gave before the Selborne Committee. "He had arrived at a profound conviction that the land of England was very much under-cultivated and would richly repay a far more liberal

application of capital and labour to its development, notwithstanding that some portions were as highly farmed as any land in the world." Lord Ernle, writing in 1912 ("English Farming," p. 401), said:—"Thousands of acres of tillage and grass land are comparatively wasted, underfarmed and undermanned." The opinion of Sir A. D. Hall, writing in 1910 ("A Pilgrimage of British Farming," p. 150), after surveying conditions in many countries, is as emphatic. "Though the best of these men still maintain the supremacy of British farming over that of any other country, nothing is more striking than the contrast between them and some of their neighbours. In every district we visited we found good and bad farmers close together, men who are earning good incomes on one side of the hedge, and on the other men who are always in difficulties, who in many cases are only kept going through the tolerance of their landlords. Sometimes a man always manages to scrape his rent together, but he lives miserably, his farm is an eyesore and a source of weeds and infection to his neighbours. As a rule these backward men are not unacquainted with the art of farming; they know how it should be done, and can be very critical of other people's management, especially of a college or county council farm near them. What they lack is determination, the ability to organize their labour and to manage their business; they are not ignorant but slipshod." In the preface to his book, "Agriculture After the War," he writes, "Some of my friends will consider that I have been unjust to the farmers of the country, and will refuse to accept my assurance that they are among the minority whose standard of work I desire to see universal."

He develops his argument fully in the book (pp. 26, 27). "It should be remembered also that the majority of farmers regard their occupation as providing a living rather than as a means of making money which can be extended and developed. They accept their routine as something inevitable, not susceptible of change—to alter would be 'bad farming,' whatever the results; if times are good there is more money to be saved or put aside, but they do not feel called upon to respond to the new opportunities and enlarge their business. They are doing very well as they are, and are not prepared to change from their policy of safety except under pressure. We have in all considerations of agriculture to reckon with the temperament and equipment of the men who are actually holding the bulk of British land at the present moment. Speaking generally, it is not too much to say that they are insufficiently educated and short of capital for the business they have in hand. Putting aside a substantial minority and many brilliant exceptions, they have not been touched by the revival of agricultural education that has taken place during the last twenty years and do not take advantage of the technical assistance that is now at their service. Most of all, their business training is at fault; they often are capable enough craftsmen, but they are bound within a narrow routine and show no adaptability either in their management or in their buying and selling. On the average farm the expert cannot say 'do this' or 'use that' and success will ensue; he sees instead a general low level both of knowledge and management. In every district certain farms stand out; and if the

neighbouring holdings, with the same class of land and the same opportunities, were only worked with equal intelligence and energy there would be no agricultural problem to discuss. In many parts of the country it is clear that the farmer is occupying more land than he can properly manage with the capital at his disposal."

We may sum up the position of farming in this country, up to the outbreak of war, by saying that the industry had surmounted the crisis of the period 1880-1900 and was offering encouraging returns to the enterprising and skilful farmers; that a minority of farmers were making good use of their opportunities and had little to learn in the conduct of their farms, but the majority of the farmers were failing to make use of their opportunities and were handling their land in a way that was a distinct loss to the community. The general level of farming in Scotland was higher than in England ("Pilgrimage of British Farming," p. 151), although rents and wages were higher.

It is probably true of every industry that there is a wide difference in efficiency between the various units engaged in it, but the proportion of inefficients is much greater in agriculture than in any other industry. In two very important directions agriculture is peculiar. A large number of farmers look upon farming as a way of living rather than as a business. They are content to scrape along, if they can make ends meet. The old ways satisfy them so long as they can just pull through. To develop their business means the exercise of continuous care and the taking of risks; the unenterprising way is easier if less remunerative. In far too many cases they have neither the skill nor the capacity for conducting the industry on

modern lines and from their own personal point of view are taking the safest line in working their land as they do. If they attempted to strike out in a more enterprising way, they would probably lose the insufficient capital they have and make shipwreck. In any other industry the ordinary economic forces would come into play and the inefficients would be crushed out by their more successful competitors capturing the markets from them. But in agriculture the ordinary play of economic forces does not act so freely. Land is limited, and so long as a farmer is able to scrape such a return as satisfies him, he may remain in possession of his farm. We have seen that the landowners do not handle their estates as agricultural businesses and are content to leave inefficient farmers in possession so long as the rents are paid. That these two tendencies are potent factors in the maintenance of a large number of inefficient farmers in control of large areas of land in this country, is widely accepted. In the Corn Production Act and in the Agriculture Act passed last year the existence of these farmers is recognised, and the failure of the owners of land to deal with them is implicit in the powers given to statutory bodies to enforce a standard of good husbandry, although it may be doubted whether the powers are likely to be used, or found effective in use.

Such was the position of farming up to the outbreak of war. Under the stimulus of high profits, and the pressure of the authorities exercising the powers under the Defence of the Realm Acts, the industry improved its output in spite of difficulties due to shortage of labour, of implements, and of fertilisers. The worst of the farmers

found themselves compelled to cultivate their land, and to improve their methods. Those who were short of capital found that difficulty disappearing, and the farmers began to amass surplus profits which an indulgent government refrained from taxing. Such a time of general prosperity amongst farmers had not been known within the memory of men engaged in the industry. It might have been expected that confidence in the industry would have grown, but farmers are born pessimists, and as prices and profits rose, they kept their eyes firmly fixed on rising costs and wages, and looked forward with doleful foreboding to the ruin they were sure would overtake them very soon. So little confidence had they in their industry that they refused to carry on unless the Government guaranteed them against loss in growing wheat and oats. That demand I shall discuss later. I refer to it here, because I think it will be obvious that those men who failed to respond to the improving conditions in the industry in the stable years before the war are not at all likely to show any enterprise in the unstable and troublesome years ahead. The less efficient a farmer is, the more pessimistic is he likely to be, and I see nothing in the changed conditions brought about by the war that would lead us to hope that the low level of farming general before the war will disappear in the years ahead unless some direct method of dealing with the inefficients is devised.

The Farm Worker.

The agricultural worker cannot complain that he has been neglected in recent years. A whole library has grown up around him. He has been investigated by commis-

sioners, studied by committees, written up by journalists, explained by authors, and discovered by politicians. All sorts of people have been afflicted with the itch for doing something for him, but most of them seem desperately afraid that he will do something for himself which may not fit in with their pet schemes. He has been taken in hand, but the desire is strong that he will be kept well in hand. It is not surprising that after a century of neglect he is rather bewildered by the multitude of counsellors.

It is not my intention to add to the highly coloured pages describing his harrowing lot. Rather would I enter a caveat against much that has been written. Most writers have dealt only with the agricultural worker in the Midlands and South of England, where farming has been least progressive and the conditions of the workers have been worse than in other parts of Britain. The result has been that an unbalanced picture of the conditions of the farm workers has been generally presented. Nor is it wise to compare wage rates in agriculture with rates obtaining in industrial occupations, unless the very different social conditions are kept in mind. Above all, we should be very sceptical of the studies of "Hodge." Some are written by sentimental people in search of the simple life; others are merely the literary exercises of writers in search of a fresh subject; few are the work of writers with any understanding of the people they write about. The rural worker is reserved and uncommunicative and does not lend himself to providing material for ready writers hurrying to catch a public while the boom is on.

The picture we are often invited to become tearful over is that of a home-loving people rooted in the soil, driven

from the land against their will. It may be that my outlook is coloured by an intimate knowledge of the Scots farm worker who is given to seeking his fortune in the ends of the earth, and who is never sentimental about his birthplace until he is safely settled many miles away from it, but I fail to find any evidence of this attachment to the land, and I would point for confirmation of my belief to the fact that the problem of maintaining a rural population is common to every settled land, and is appearing in the New World, and in our colonies. It is a tendency every civilised community endeavours to counteract by legislation. Man is a gregarious animal; he wants to be where the pulse of life beats most rapidly, where there are more prizes in life, even if the chances of gaining them are very remote. Against this tendency agriculture will always have to struggle, and the best it can hope to do will be to reduce the handicap under which it labours at present.

In this country the conditions of the agricultural workers have been such as to force the pace of rural depopulation. Wages have been so low in some districts as to constitute a grave social danger; in the better-paid districts they have been less than would induce the more vigorous and enterprising workers to remain in the industry. But wages were only one of the factors, and in many districts not the most important factor. Housing conditions contributed their share to the exodus from the land. The number of houses available fell far short of the requirements of the industry in many districts, while the condition of the houses in existence was in the majority of cases below any reasonable standard of human habitation.

But low wages and bad housing were not unknown in the towns, and I think it would be found that many of the farm workers who left the country earned little more at the end of the year in the town or lived in any better houses than they had in the country. Other causes peculiar to the country operated to send the workers away from the farms. I believe that one potent cause was the tied house. A man who lives in a house directly under the eye of his employer, and whose home as well as his employment is at the mercy of that employer, has less freedom and has to submit more to the will of his employer than a workman who comes under his employer's control only while at work. The employer dominates the workmen not only industrially but socially and politically. There may be no direct pressure exercised, but the relationship is one under which any man of spirit and independence chafes, and from which he seeks the first opportunity of escaping. Other workers such as the miners live under similar conditions, but the aggregation of these workers in larger communities makes it easier to develop a communal and class spirit which forms a protection against the encroachments of individual employers. The farm workers had not the same opportunities of creating their own associations for defensive purposes in which they could feel the consciousness of a common strength and purpose. Faced with similar difficulties the industrial workers found their escape in the growth of the trade unions, co-operative societies, and other voluntary organisations. They threw up their own leaders and the most vigorous and spirited of their class found in these organisations an outlet for their energies and abilities

which kept them in their class, and gave a new hope and purpose to the whole of their fellows. In agriculture there was no such outlet for the natural leaders. Scattered as they were, working long hours with little leisure, too poor to pay the necessary contributions to maintain such organisations even if the initial difficulties could be overcome, those who ought to have been the natural leaders of their class had perforce to seek other occupations. By their very circumstances the farm workers were unable to take the same means as other workers to lift themselves out of the pit into which they had fallen. Several despairing efforts they did make, but it was easy for the farmers to mark down the leaders and quietly but none the less effectively to make it impossible for them to gain a living. It was a difficult matter to create such a spirit in the rural districts as would prevent victimisation. When everyone's movements are known to all in the neighbourhood, the rural agitator did not require to be blacklisted to close employment to him. He soon found that the country was no place for agitators.

To this lack of freedom driving away the most spirited and independent of the workers we must add the lack of opportunities for the families of farm workers. Parents who had families growing up and wished to give them opportunities for a better life than they had, found that the country was no place for those who wanted to do well by their families. Educational facilities as a rule were not good, and if any of the children bade fair to rise above the average level there were no openings for them. Thus it happened that the parents who took their responsibilities to their families most seriously would not stay on the

land. When, therefore, farmers complained that the best workers were leaving the land, and that they were left with less efficient workers, they were merely stating the effect of the conditions under which the workers had to live and work. Where wages were lowest the labour was least efficient, and was most wastefully used simply because it was cheap. Low wages and poor farming went hand in hand. Where wages were higher the labour was more economically handled, and the workers were more skilful and productive. But everywhere in greater or less degree the complaint was the same and was well founded, that the best workers would not remain on the farms.

There were signs in the years before the outbreak of war that the farm workers had been influenced by the forces which were then at work producing what was known as the Labour Unrest. Trade Unionism, which had died out after Arch's effort in England, revived in Norfolk in 1907, and in 1913 and 1914 there were a number of strikes and general demands for increased wages. In Scotland a spontaneous movement arose in 1912, and organisation proceeded apace, the demand for a weekly half-holiday being the chief rallying point. There was a slight rise in wages in most counties.

The first year of war brought rising prices, much to the profit of the farmer, but greatly to the loss of the workers. The second year of war brought even greater profit to the farmers, but the workers found it more than they could achieve to secure such increases in their wages as would enable them to meet the rising prices. In 1916 the pressure of rising prices provided the necessary stimulus to the workers, while the demands of the army lessened

the supply of labour at the time when the farmers were being urged to increase their cultivation. They seized the favourable opportunity; the unions increased their membership and were able to secure substantial increases in wages. Next year Parliament passed the Corn Production Act, under which minimum rates are fixed for agricultural workers. In England the efforts of the Unions were directed to getting the most out of the machinery provided by the Act; in Scotland the workers, except in a few outlying counties, relied upon their own efforts and made their agreements independently of the Wages Committees, for rates substantially above the minimum rates. At the present time about fifty per cent. of the workers are members of the unions.

How far there has been a real gain in the standard of living of the workers it is difficult to estimate by precise standards. The depreciation of the sovereign and the variations in prices make any exact comparison impossible. In England at the present time the minimum rates for adult workers, which tend to become the standard, vary from 46/- to 50/6 including the values of all benefits and allowances. In Scotland the actual rates paid to ploughmen vary from £2 5/- to £3 5/- a week, the largest number of workers being grouped round £2 15/-. In comparing these rates with those paid to other workers, it ought to be kept in view that many of the workmen are paid partly in benefits and allowances which are reckoned at wholesale prices, and that house rent in England is reckoned at 3/- a week and in Scotland generally at 2/- a week. In England the normal working week is 50 hours in summer and 48 hours in winter; in Scotland the working

week, including attendance on animals, averages about 56 hours a week.

While it is not possible to measure the exact improvement in the standard of living of the workers, there can be no question but that there has been an improvement over the pre-war standard. Wages on the whole, allowing for the increased prices, are better, while the reduction in the working hours and the provision of a weekly half-holiday are a big advance on anything previously existing. The greatest change has taken place, however, in the spirit and outlook of the workers. The efforts they have put forward and the successes they have achieved, have given a new hope and developed a self respect that have altered the whole outlook of the rural workers. The old fatalistic indifference is rapidly disappearing. The workers have found themselves. They are developing their own leaders, are becoming conscious of their power, and are linking themselves up with the larger working-class movement.

II.

Some Present-Day Policies.

Guaranteed Prices.

I have endeavoured to describe the position of the three classes most directly concerned in agriculture in this country, because in any consideration of the future of agriculture we must take account of the forces at present at work. The position is a very unstable one. Everything points to the landowners finding their difficulties increasing rather than disappearing. Their increasing anxiety to get rid of their estates shows quite clearly that they have no hope of being able to retrieve their position. This is bound to react on the farmers who are in need of improved equipment in the way of buildings, drainage, etc. The farmers are finding that the return to more normal conditions in the world market will expose them anew to the competition of the agricultural produce of all the world. They cannot hope to see again the protected markets the War secured to them. Already they have suffered the first shock of falling prices, and prone to pessimism at all times, they are ready to believe the worst. At the same time they are conscious that they have to face a new spirit and power in the workers, and that it will not be possible for them to return to the old conditions of labour. Their problem is how to conduct their industry faced with competition from abroad, and forced by combination amongst the workers and by legislation to observe con-

ditions of wages and employment which prevent them from escaping by the old method of reducing wages.

The farmers have not lost any time in putting forward their demands. Mr. James Donaldson, giving evidence before the Royal Commission on Agriculture, 1919, on behalf of the National Farmers' Union of England, put what he declared were the alternatives. If the farmers were to be left to their own resources to face the future, without guarantees or protection, and without legal restrictions on the wages they paid, they could adapt themselves to the position and carry on, but it would be by avoiding intensive cultivation and by laying land down to grass. "The remedy for low prices is the reduction of costs and the reduction of output," he said. Production and employment would be reduced. "If it is the wish of the nation that the farmer should maintain and develop his output, whilst, at the same time meeting the reasonable demands of labour, the nation must see to it that when he has taken all possible steps to organise his business, so that wasteful and inefficient methods are eliminated, he can then get a fair return on his capital, having regard to the vicissitudes to which agricultural enterprise is peculiarly liable."

There is no evidence to show that the farmers ever considered the alternatives. They concentrated on the demand for guarantees and have been successful for the time being in imposing their policy on the country. They have been guaranteed prices for wheat and oats, but not on the conditions laid down by Mr. Donaldson. There is no corresponding obligation to grow wheat and oats, nor any obligation on the farmers to maintain and increase

their output or to get rid of wasteful and inefficient methods. Power is given to the Agricultural Executive Committees to require that the farmers will observe the rules of good husbandry, but that obligation cannot be related to the guarantees on wheat and oats, because the obligation can be enforced equally on farmers who depend upon other crops, and it is obviously within the rights of the State to insist on this rule whether guarantees are given or withheld.

The case for guaranteed prices during the War could be legitimately argued, when the farmers were being compelled to grow cereals. If the State is to compel the cultivation of particular crops the farmer is entitled to claim that he should be relieved of any loss incurred by following a policy forced upon him. But when the farmers demand and are granted guarantees on certain crops without any obligation to grow these crops, the policy must be defended on other grounds. Two reasons are advanced by the advocates of guarantees. The first is that since the farmer is compelled to pay a minimum wage he is entitled to have a price guaranteed. The argument is not well founded. Minimum wages are enforced in other industries but no guarantee of prices is given, and the farmer cannot claim that his position is peculiar in this respect. The minimum wages in agriculture apply equally to all farmers, milk, beef, and potato producers, and if the argument is sound for cereal growers, as good a claim can be made out for the other farmers. How little relation there is between the wages of farm workers and prices of agricultural produce, and particularly cereal prices, has been shown by Mr. A. W. Ashby in a paper contributed

to the "Journal of the Royal Agricultural Society of England" (Vol. 80, 1919) entitled "Prices of Farm Produce and Wages of Farm Workers."

The second argument advanced is that the guarantees are necessary to give confidence to the farmers in a time of transition. If the guarantees were meant to be temporary this argument would have the virtue of honesty whatever our opinion of its merits might be, but the demand has been for a permanent guarantee, and the Agriculture Act was passed on that basis. The logic of the argument is that the farmers have no confidence in tillage in this country unless backed by the taxpayer, and the situation has to be considered in the light of that confession of lack of faith on the part of the farmers.

At any other time it would not have been possible to have imposed such a policy on the country. In the welter and confusion of war-made policies, strange things have happened which only the war-time atmosphere has made possible. But that private traders should be left free to pursue their own interests, and to secure their profits when the industry allows them, and then fall back on the State to shoulder the losses, is a method of conducting industry that no community in normal times will tolerate. Nor do I find that farmers with any pretensions to breadth of outlook have any more confidence in the future because of the guaranteed policy. Apart from the fact that they have no belief that the guarantees in themselves will achieve their avowed purpose they realise that a policy dependent on the exigencies of party political warfare, in a country that is bound to remain predominantly industrial, with a large population averse to such a policy, is

an even less secure basis than the chances of the market. The proof is to be found in the fact that the guarantees have done nothing to maintain the increased cultivation enforced during the War. No farmer who knows his business is going to plan his operations ahead on the confidence engendered by a policy of guaranteed prices for wheat and oats.

Not only do I believe that the policy of guarantees will fail to achieve its avowed object of giving such confidence to the farmers as will induce them to continue cultivation on the strength of its promises, but I believe it is positively harmful to the industry. It is meant to stereotype the present organisation of the industry, and that organisation I believe to be incapable of facing successfully the problems which confront it. It is like an attempt to shore up a falling building with timber props. To endeavour to carry on an industry that is not making adequate use of its productive forces by maintaining artificial price levels, cannot be made a permanent and sound policy in any industry. If the agricultural industry cannot be made to stand on its own feet, under the present organisation, no State crutches will enable it to keep erect and make progress. The policy of guaranteed prices carries with it no promise of increased efficiency, and no power to enforce better methods. Rather does it tend the other way. It leads farmers to concentrate all their efforts on the maintenance of artificial prices when they should be turning all their energies to reducing costs and increasing output. "In 1907 it was estimated that the value of the annual production of British agriculture amounted to only £90 per person engaged. The output per man in many

other industries amounted to a much higher figure. The average for all industries in England and Wales, including those in which over 50 per cent. of the employees are women, in which production is low, was £104. In some industries the value of production per person amounted to nearly £200 per annum." ("The Position of the Rural Worker in Industry," A. W. Ashby.) Unless the productive value of labour in agriculture can be effectively increased there can be no sound basis for building a progressive industry.

There is a grave social danger too in the sentimental association of prices and wages in agriculture. Quite a number of well-meaning persons, whose emotions are more easily stirred than their brains, are eager to subsidise farming in order to secure the labourer's wages. They see no way of protecting the worker against low wages except by a legal minimum, and they are quite ready to give the farmers a guarantee of prices which will enable them to pay the rates enforced. The farmers are not slow to point out what they believe is the necessary connection, and from time to time proposals are mooted for an inclusive union of farmers and workers to promote the common interest. The policy would be disastrous to the workers. Their standard of living would depend upon the political power of the agricultural vote in a Parliament which is bound to be elected from predominantly industrial electors. Success would mean a permanently subsidised industry which would necessarily be an unprogressive industry, more intent on farming votes than on cultivating the land. There might be an immediate gain to those engaged in the industry at the expense of the general

community, but in the long run this policy would overreach itself and break down. But it is too much to expect success in such an offensive against the community. It would fail and it would deserve to fail. The power of the workers to maintain a standard of living in any capitalist industry depends in the long run on the output per person employed in the industry, and no policy which does not secure a steady improvement in the productive power of those engaged in the industry can offer any hope of a progressive improvement to the wage-earners.

Security of Tenure.

There has been a revival in recent years of the demand for security of tenure by farmers and for judicial rents. That demand is always keenest when the industry is prosperous and good profits are being made. The enterprising farmers know the danger of rents being raised against them, and are afraid to plan a course of cultivation, the fruits of which they have no security of reaping. That the danger is a real one has been recognised by the compensation clauses of the Agricultural Holdings Acts, and by the Agriculture Act, 1920. These provide compensation to a way-going tenant for certain scheduled improvements, and additional compensation is now provided for unreasonable disturbance. But these provisions do not wholly protect the really good farmers. They claim that there is no provision to secure to them the full value of continuous good farming, and no practical scheme has yet been devised which will give adequate compensation for the cumulative fertility arising from their expenditure and skill. All the legislative devices so far fall short of

the desired end. They are of the nature of compromises, and do not meet the full claim of the farmers. The demand has been strengthened in the past few years by the large number of agricultural holdings which have been changing owners. Many farmers, much against their better judgment, have been compelled to purchase their farms because they saw no other way of retaining occupation. The avowed intention of many owners to get rid of their land has intensified this feeling of insecurity. The farmers do not want to become owners. Most of them have not the necessary money to buy the land, and at the same time provide the working capital for farming. They have no confidence that the new owners who are securing possession of the land have any intention of developing their estates as agricultural subjects or that they have the necessary knowledge or training to do so, even if that were their intention.

The demand for security of tenure and for judicial rents is reasonable and ought to be supported by the community within limits, so long as the system of tenant farming is continued. The security cannot be absolute; it ought not to become fixity of tenure. It ought to be subject to the right of the community to insist on a standard of cultivation, and only those farmers who are making good use of their land should be granted security. But within these limits the best farmers would readily respond to the better opportunities confronting them, and their example would set a steadily improving standard for farming to which the less enterprising could be compelled to conform or they would find the pressure exercised to the point of turning them out of their holdings. Security of tenure

is incompatible with competitive rents, which have not been a source of strength to agriculture, but the reverse. Machinery would have to be devised for fixing rents. We have had experience in Scotland for the past ten years of security of tenure and fair rents for holdings under 50 acres or £50 rent and the system has worked well. There is no reason why the system should not be extended to all holdings, and the machinery of the Land Court could be extended to deal with all holdings and similar arrangements made for England and Wales. When a change of tenancy occurs the value of the tenant's improvements are assessed at their value to an incoming tenant, and the disadvantages of free sale and of dual ownership are thus avoided.

It is not always recognised, however, by the advocates of security of tenure and judicial rents, that the system practically puts an end to the system of private ownership of land as we know it. The owner is left very little control over the land. He becomes in reality what the landowners have tended to become in effect for many years past, a mere receiver of rent, and even then, of rent which he has little power to influence. The result in Scotland, where the system has been in operation on small holdings, has been that the landowners content themselves with drawing the rents fixed by the Court and shift the burden of providing the capital for permanent improvements on to the State. If the larger farmers are given security of tenure and judicial rents we may expect that the landowners will be even less inclined to spend money on their estates than they now are, and that the State will find it necessary to take up the duty of financing the permanent equipment

of the land. Everything is tending in that direction at present. Even the landowners who want to retain possession of the land and control of the farms are unwilling or unable to finance the necessary improvements. They urge that the State ought to lend them money at a low rate of interest for this purpose. The granting of security of tenure and judicial rents would merely accelerate the pace and drive out the private owners more quickly, and bring the State into the position of taking over the functions which used to be performed by the owners of land. As the interest of the State would be the development of the industry the change would be all to the good, although the result would have far-reaching results in our system of land tenure, and would not be relished by the more easy-going farmers who prefer an indulgent landlord who does not make many demands on their industry or their enterprise.

Occupying Ownership.

I have stated that farmers do not wish to become owners of their holdings. This may appear to be controverted by the fact that there has been an increase in the number of occupying owners during the past three years. That was to be expected. Farmers have enjoyed good years since the second year of the War, and many of them are in a position to be able to buy their farms. That a section of them are desirous of setting up as owners is probably true, but that, as a class, they do not want to become owners is clearly shown by the strength of the demand for security of tenure. It is a well-known fact that many who have bought have done so because they

ran the risk of finding their holdings bought over their heads by others who wanted to occupy. It will be found that the demand for security was strongest in those districts where the greatest increase of occupying owners occurred. There can be no doubt but that the great majority of farmers do not wish to become owners.

In spite of the unwillingness of farmers to buy their farms, the advocates of occupying ownership continue their efforts to persuade the nation that agriculture can be developed most satisfactorily on this basis. It is a hopeless proposition. If there were any indications that the proposal was likely to become popular it would be necessary to discuss it seriously, but if I am right in my reading of the attitude of the farmers it is hardly worth while to do so. I content myself with saying that I believe the farmers are serving their own interests best by demanding security of tenure and avoiding purchase. Farming has always suffered from lack of adequate capital, and farmers are wise to conserve their capital for their industry, and to avoid locking it up in the land. Nor is there any evidence that occupying owners will make better use of their land than tenants do. There is nothing in occupying ownership which would justify us in assuming that the combination of owner and farmer in one person would always give us a prudent and capable owner, and an enterprising and skilful farmer. It would be much more difficult for the State to enforce a standard of cultivation on a large number of independent owners. Again if the present owners are not able to finance and manage their estates, and the farmers are often short of capital, it is hopeless to expect that the farmers can

adequately finance both the purchase of the land and its cultivation.

Small Holdings.

Another policy which has many advocates is that of creating a large number of small holdings. It is a policy particularly favoured by politicians. It lends itself to popular declamation and is easily woven into fine sounding perorations. The orators do not require to condescend to practical schemes, nor do they require to show any working knowledge of the subject. Practical details would disturb the flow of oratory, and knowledge would nip frostily the flowers of speech. When these speeches can be tacked on to the prevailing war emotion and the schemes can be presented as a means of rewarding war heroes, the politician can add that touch of virtuous unction which enables him to resume his seat with a feeling that he has done something that a grateful country should not forget. And above all it is a first-class cry for securing votes, and what more can be said to recommend a policy to a politician?

It is a policy that appeals to a certain number of farm workers because it offers them an opportunity of escape from their dependent position of wage-earners where avenues to improvement do not exist. It must be remembered that the present organisation of agriculture in this country offers few prospects of advance to the workers. A few may hope to rise to positions of bailiffs, foremen or grieves, but it is not often realised how few these opportunities are. In the census of 1911 we find that in England and Wales 22,141 males were returned as farm bailiffs

and foremen out of a total of 665,258 male workers employed, the proportion being a little over 3 per cent. Even these positions bring very little advance in economic or social position over those of the other workers, and the positions under those of bailiff or foreman are so little differentiated in the social and economic scale as to make little call to ambition. The position of a small holder does offer more social independence, even if the economic conditions show little or no improvement over those of the wage earners. It is a more interesting life, if more laborious, and there is always the hope that it may lead to something better.

But the greatest demand for small holdings does not come from farm workers — a fact that is generally not recognised by those who talk most about the matter. The Report on Wages and Conditions of Employment in Agriculture issued by the Board of Agriculture and Fisheries in 1919 (Cmd. 24) has an interesting section on small holdings in England. "In very few counties," the Report says, "have the Investigators found an unsatisfied demand for holdings . . . In most counties it appears that the demand, even where it is large, has been satisfied." In the same Report interesting information is given as to the class of persons who apply for small holdings. "The number of applications received from farm labourers is small. . . . From statistics published by the Board of Agriculture it appears that in 1914, of 3322 applications allowing 20 members for each of seven Associations, 1029 only were agricultural labourers; that is to say, 30.9 per cent. were farm labourers. The general conclusion which the facts seem to warrant is that the

demand comes from men in industries or non-agricultural trades—tradesmen, miners, and sailors. In most cases applicants have made their money not in, but outside agriculture.” The facts here adduced may surprise those who are fond of talking about the “agricultural ladder,” the first rungs of which are meant to be small holdings, but to anyone in close touch with the agricultural workers, and whose knowledge of the small holdings campaign is gained at closer quarters than the politicians ever reach, the conclusions of the investigators are known to be well founded. The agricultural ladder does not offer an effective way of escape for the farm worker. It is obvious why it should be so. A small holder must have possession of some capital, more than most people imagine, if he is going to make a successful venture, and the possibility of farm workers saving the necessary capital from their inadequate earnings is too remote to stir to effort. Considered from the point of view of providing a means of improving the lot of the farm workers, small holdings offer no hopeful line of advance. Even if the obstacles which have tended to discourage the farm workers from seeking that way of escape in the past could be removed, a little consideration will show that small holdings can never offer any hope to the large mass of the farm workers. Even if we include in the number of small holdings those which cannot occupy a man full time, and which are used to supplement earnings in other directions, and suppose that they are all occupied by those who are or have been farm workers, a supposition very wide of the mark, not more than 4 per cent. of farm workers have been given the opportunity of becoming small holders. Mr. Arthur

W. Ashby, who has given more practical and detailed study to this question than anyone else, points out that even allowing only 25 acres to each family, an area which I believe is much too limited in this country, nearly half the area of England and Wales would be required to provide holdings for the 500,000 men over 20 years of age employed in agriculture. "It is, however," he adds, "almost impossible to imagine the establishment of even 100,000 holdings, and such a miracle would still leave the rural workers without any solution of their general problems."

Small holdings are advocated, however, on more general grounds. It is contended that the small holder cultivates the land more intensively than the large farmer, and that, if the nation wants an increased production from the land, it can be secured by increasing the number of small holdings. This is one of the sweeping generalisations often made about agriculture without any data being produced to substantiate it. The best managed small holdings are contrasted with the indifferently cultivated farms, or small holdings in favourable situations near towns are compared with farms in more remote districts. If a comparison is made between small and large holdings producing the same crops, it will be difficult to show that the small holding produces more per acre. Probably the best summing up on small holdings from the productive standpoint is that of Sir A. D. Hall (*"Agriculture After the War,"* pp. 54 and 55).

"In themselves, small holdings are necessarily uneconomical units for dealing with land. Most farming operations become much cheaper when carried out on a

large scale; the use of machinery is only profitable on large fields and when the machine can be given a full measure of work in proportion to its cost. The large farmer is more likely to apply science and bring knowledge to his business; the small holder must be conservative in his methods, and generally becomes very unprogressive. Though the personal attention that the small holder can give to details may be supposed to be of special value in the handling of milch cows, the management of fruit, etc., in practice the organization at the command of the farmer on a large scale secures an equal or a better result. It is true to say that in districts where intensive cultivation is practised by both small and large occupiers, the actual cultivation is better, the gross production and the net profits are larger upon the holdings of 50 to 100 acres than upon those of from 5 to 20 acres. In fact, the really good small holder soon gets possession of a larger acreage and ceases to be a small holder.

“ It follows that small holdings are only likely to answer for such forms of agriculture as produce a large gross return per acre, and when the proportion that manual labour bears to the other costs of production is high. This almost confines successful small holding to the production of vegetables, fruit, and flowers; as regards the production of meat and corn, and to some extent milk, the small holder cannot compete with the large. It is doubtful whether the market for fruit and vegetables is capable of considerable expansion. Akin to this restriction is the fact that small holdings only answer on good land, or at any rate on light land that is responsive to fertilizers and

easily worked. They must also have good access to markets."

What is generally overlooked in considering the productivity of small holdings is the economic cost involved. The small holder as a rule works harder than the agricultural labourer, and he works longer hours. The women and children have also to work. If there were any means of comparing the labour cost of the production of small holdings, it is incontrovertible that in terms of human labour the production on small holdings is more costly than on large. The small holder works with less capital, for if he had more he would not be a small holder. He cannot economically employ labour-saving machinery. He has to produce his returns by the intensive application of human labour, and I submit that from the wider standpoint that is not the most productive use to make of human labour. The progress of civilisation depends on increasing the production of wealth per unit of human labour employed. It is only thus that the necessary surplus can become available for a richer life for the whole community.

That this radical defect of the system of small holdings is recognised is shown by the effort to create colonies of small holdings, so that the occupiers may co-operate in the use of labour-saving machinery, and in buying and selling. The difficulties are not to be waived aside by reference to what is done in Denmark, by a people compelled by the lack of industrial resources to make the most of agriculture, working under conditions of soil and climate much more homogeneous than in this country, and working for an export market, in milk, pig, and poultry products. The conditions are vastly different.

But even if the difficulties could be overcome, all that the most enthusiastic advocate of co-operation will claim is that the small holder by co-operation may lessen his handicap against the large farmer working with ample capital.

The advocates of small holdings do not rest their case, however, on the productive advantages of the smaller unit. If they did so it would be very difficult for them to explain why it is that in spite of the efforts of Parliament small holdings do not increase. Two tables from the Agricultural Statistics, 1919 (Cmd. 680) are instructive :—

NUMBER OF HOLDINGS IN ENGLAND AND WALES, 1919.

Year.	Above 1 and not exceeding 5 Acres.	Above 5 and not exceeding 50 Acres.	Above 50 and not exceeding 300 Acres.	Above 300 Acres.	Total.
1903	91,797	198,874	126,980	15,351	433,002
1908	89,958	197,218	127,864	15,041	430,081
1913	92,302	200,144	128,718	14,513	435,677
1914	91,570	200,152	128,989	14,413	435,124
1915	90,643	199,046	129,337	14,327	433,353
1916	87,502	196,651	130,140	14,132	428,425
1917	84,264	194,292	131,064	14,098	423,718
1918	83,392	191,942	130,666	14,126	420,126
1919	81,193	191,375	130,225	13,875	416,668

THE CHANGES IN EACH GROUP OF HOLDINGS BETWEEN
1913 AND 1919.

Size of Holding.	Number.		Total Area.		Average Size.	
	1913	1919	1913	1919	1913	1919
			Thousands of Acres.	Thousands of Acres.	Acres.	Acres.
1—5 Acres.	92,302	81,193	284.9	252.9	3.1	3.1
5—20 „	122,117	113,414	1,373.3	1,279.0	11.3	11.3
20—50 „	78,027	77,961	2,623.3	2,618.9	33.6	33.6
50—100 „	59,287	60,509	4,324.7	4,406.8	72.9	72.8
100—150 „	31,838	32,358	3,942.2	3,997.0	123.8	123.5
150—300 „	37,593	37,358	7,844.2	7,795.5	208.7	208.7
Above 300 „	14,513	13,875	6,736.8	6,397.8	464.2	461.1
	435,677	416,668	27,129.4	26,747.9	62.3	64.2

These tables do not show that the advantage lies with small holdings or that under competitive conditions the small holder can hold his own. If he could there would not be any necessity for special legislation, nor for the expenditure of public funds in creating small holdings. The resort to direct subsidy of small holdings by the State is not defended on economic grounds. It is justified from the standpoint that it is in the best interests of the nation

that there should be a larger number of people settled on the land. It is acknowledged that the policy is one which can only be pursued if the nation is prepared to subsidise the establishment of small holders. The policy is justified on social and political grounds and not for agricultural or economic reasons.

There will be general agreement that it is desirable to increase the rural population. If the standard of living is a reasonable one, and the opportunities for education and social life are adequate, a rural population provides a more stable element in the national life than the more hectic conditions of life in the large industrial centres. But the standard of living in the rural districts must depend in the long run on the economic use made of the labour of the people. The possibility of wider education and deeper culture, as distinguished from the mere elementary schooling to which we are apt to confine the term education, depends on conditions of employment which permit of adequate leisure. A real social life can only develop fully in a community where the conditions of life permit of free intercourse of men, women and young people with leisure in which they can develop the arts and graces of life. All small holding communities are overworked communities. They can exist only by excessive labour of men, women and children. Thrift becomes a vice because the petty economies must be hourly observed. They emphasise the meaner, more selfish aspects of human intercourse. The members can never be free from the anxieties and worries of people living near the margin, to whom losses, comparatively trifling from the point of view of the community, may bring disaster. Under competitive conditions in this

country the small holder must always be too self-centred to become a good citizen or the stuff from which a healthy rural community can be created.

III.

A National Policy.

The Need for Change.

I have endeavoured to describe the present position of the agricultural industry in this country, and I have outlined and criticised the proposals usually made for placing it on a sounder basis. It may be useful if I summarise before discussing further proposals.

Agriculture in this country is less productive than it ought to be because the owners of land are not primarily concerned in promoting the industry. They have failed to maintain the permanent equipment, or to manage the land so as to enable the competent farmers to make the best use of it, or to prevent the incompetent farmers from wasting land. The landowners admit their inability to improve their position. There is a minority of farmers who are equal to the best in any country, and who, given proper opportunities, would do even better. A large proportion, from various causes, are farming the land indifferently. Many of them would probably do much better given greater security, but they are too prone to play for safety and to be content with the surer and smaller returns. A considerable minority are frankly hopeless and ought not to be allowed to occupy land. The farm workers by organisation and legal enactment have secured an improved standard of existence, but the standard is not yet sufficiently attractive to withstand the competition

of other industries, or to retain the best of the workers. They are faced with the practical problem of how to continue to improve the standard within the very definite limits of the economic power of the industry as at present conducted.

The measures taken to give greater security for the farmers' capital, and for compensation for disturbance, do not go far enough to give confidence to the farmers. Security of tenure is necessary but would lead to a complete revolution in our system of land tenure, which would require far-reaching adjustments affecting the whole structure of the industry. Guaranteed prices for cereals, ineffective in themselves, cannot in the nature of things be otherwise than temporary expedients, and are positively harmful. The establishment of small holdings on a large scale is practically impossible and economically wasteful. Occupying ownership is not a practical proposal because the farmers do not want to buy.

The interest of the community is to get the greatest possible production from the soil with the lowest comparative expenditure of human labour. That is not being secured for the reasons outlined above. The national resources are under-developed because the land is under-capitalised and under-farmed. The workers are living in a condition that does not enable them to live as full a life as they ought to enjoy with our present-day scientific resources and economic powers. "The end of life is not the production of more goods; it is the production of more and better life."

So far I have been treading familiar ground and I make no claim to any originality of treatment. All I have

endeavoured to do has been to bring together statements and criticisms which have been common to many writers and critics, and all of which have been stated more ably and fully than I can hope to do. If I have been fortunate enough to carry any readers with me so far, I have now to ask them to bear with me while I venture on proposals which must be more speculative, and for which I cannot quote authorities as I have endeavoured to do so far. Practically all those who have written or spoken on agriculture have taken it for granted that the industry is to develop within the confines of the system of land tenure as we know it, with slight amendments, and that farming will continue to be an affair of private enterprise for individual capitalists employing wage-earners, and working for a market open to all the vicissitudes of speculation and unregulated competition. Almost all the changes advocated in agriculture assume that these conditions will remain practically unchanged. They merely propose here and there to interpose collective effort in a timid and halting fashion to ameliorate the worst defects of the present system; they do not propose any fundamental change in the system. I do not believe there is any hopeful future for the industry unless an effort is made to secure a more drastic reconstruction. For the largest class directly concerned in the industry, the agricultural workers, it seems to me evident that the outlook holds little promise of such changes as will provide a good life if the present system is maintained much as we know it, however valuable in themselves some of the reforms suggested may be. Without radical changes the workers must soon reach the limit of wages that the industry can bear, and that limit,

on any productive output we can estimate, will never satisfy the awakening workers in the rural districts. However effective the Trade Unions may become, they cannot force wages beyond the point the industry can bear, and I see nothing in the present production of agriculture, nor in the production we may hope for within the limits of the present system which will enable the workers to satisfy their legitimate demands. Nor is there any security in the fixing of minimum rates of wages. At best all we can hope from such legislation is to fix a minimum standard of human needs which the wages must enable the worker to satisfy, but how inadequate that standard may be can be judged from the rates fixed at a time when the cost of living was mounting against the workers, and the industry was better able to provide a reasonable standard than at any previous time. But even more important than the standard of living considered merely from the subsistence standpoint is the opportunity the industry offers for bringing out the latent abilities of the workers. Agriculture makes no such call on the workers to-day. It is a closed industry, which does not attract technical or manual workers from other spheres of life. The workers are born into the industry and seek to escape from it. It does not offer opportunities, develop the abilities, or stimulate the ambitions of those engaged in it. Other industries attract skill and brains by the opportunities they offer. They draw from all classes, and welcome ability. Agriculture by its structure and organisation does not attract, and fails to keep its own.

We require fundamental changes because the present system is not capable of such changes as will sufficiently

increase production on economic lines to enable the workers to improve their position. To ensure this we must have more capital and sufficient scope to offer prospects to workers without capital to engage in the industry on their own behalf. There must be openings for the young people who are willing to train for the more responsible technical and scientific branches. There must be openings for the young people who are willing to improve their craft and desire to employ their talents in more specialised positions. We have been training technical and scientific workers in our agricultural colleges, but our agricultural industry cannot absorb them. It makes no appeal to the worker who wants to be more than a ploughman or a cattleman or a shepherd. Nor is it likely we can do any better so long as the industry is a small scale capitalist industry. The higher branches and the wider opportunities are not open to those who have ability; they are the preserve of those who have capital. We cannot hope to develop a progressive industry on those lines, and we cannot expect it to attract or retain the best type of workers, technical or manual.

National Responsibility.

The first condition of any effective change in agriculture is that the community must take the industry much more seriously than it has done. It cannot afford any longer to leave it the play of the economic interests of land-owners, farmers, and workers. That was the policy of the second half of the nineteenth century, a natural reaction from the system of protection of which the Corn Laws were the most outstanding feature. Very tentatively

the State moved away from that position. At first the legislation dealing with the industry merely laid down rules regulating the relations of owners and tenants, a form of keeping the ring inside which the conflicting interests attempted to adjust themselves. Even such social legislation as dealt with other classes of workers was not applied to the agricultural workers at first. Then the State began to interest itself in agricultural research and demonstration. Considerable sums were spent in this work, and in agricultural education. Stage by stage the points at which the State directly influenced agriculture increased, until now there is no other industry towards which the State makes such a contribution both in money and in teaching and research. It is the only industry which has a Cabinet Minister and a Department solely devoted to it, and it is not always realised, even by those engaged in the industry, to what an extent the State does contribute towards agriculture. Besides research, technical education and training, provided at the public expense, we have the assistance given by the Development Commission to promote co-operation, to improve breeding, and to assist in milk recording and in costing. Merely to enumerate all the directions in which the public purse is drawn upon to assist those engaged in agriculture to pursue the industry more profitably would make a surprisingly long list. The commercial value to the farmers and landowners of the public assistance given is not sufficiently recognised by those who benefit most.

I do not think the community gets the return for its outlay that it ought to get. The industry is making much greater use now of the facilities provided, and the best

evidence that it is of real advantage to the farmers is the demand being made for the extension of public assistance in various directions. But while the demand on the State increases, the State has no power to impose any obligation on the industry to use the methods which research, demonstration, and practice have proved to be advantageous. In spite of all that has been done to demonstrate the economy of using artificial manures liberally, the average consumption in this country shows that the teaching of the State has failed to affect a large body of farmers. It has been proved over and over again that even poor grass land will respond to treatment with manures, yet much of the grass land is a disgrace to our agriculture. The wisdom of keeping milk records, and breeding from good milking strains, has been proved to be commercially profitable to dairy farmers, yet the output of milk from our dairy herds continues below what could easily be achieved if our dairy farmers were using the knowledge the departments of agriculture are continually pressing upon them. There is no suggestion that farmers should be induced to engage in experimental work; it is solely a matter of securing that the industry will adopt the methods that have been proved profitable.

It appears to me essential that the State should assume more responsibility for the industry. The idea that an industry succeeds best when left to the enlightened self-interest of those engaged in it has few followers nowadays. Those engaged in agriculture have no belief in that theory. The landlords want State loans; the farmers demand security of tenure and guaranteed prices; the workers want regulation of working hours, and, in England, a

legal minimum wage. Each class is prepared to lean upon the State, however much they may want freedom from State control, where they believe such freedom will serve their own interests. The State cannot afford to shoulder the burden of the industry, and at the same time give up its right to ensure that the industry is making proper use of the assistance it gives. The State must be prepared to take direct action to see that the industry is making proper use of the national resources, and of the State aid given.

This means that the Ministry of Agriculture in England and Wales, and the Board of Agriculture in Scotland, must be given adequate powers to maintain a proper standard of farming. These departments ought not merely to be empowered to place their varied services at the disposal of those engaged in the industry, if the latter see fit to use them, but should be empowered to see that the services are being used, and to remove occupiers who are not prepared to avail themselves of these services, and are not making such use of the land as the public interest requires, and to arrange for the farms being worked by competent managers in the public interest. I shall return to the methods of administration later. What I am concerned with here is the change in attitude of the State towards the industry. From being as they are to-day, departments which act through suggestion and demonstration, endeavouring by lecture, leaflet and advice to get agriculture to adopt certain courses and methods, these departments would be made responsible for maintaining a definite standard in the industry.

What I have said of the necessity for enforcing proper cultivation applies with even greater force to the equip-

ment and management of land. It is even more important to secure that those engaged in the industry are given full opportunity to make the best use of their skill and capital. That is not possible to-day on a great many estates. The system has broken down entirely, and the State must assume the responsibility if the industry is to progress. There is no other way. But more is required than merely to replace the landowners who cannot function as effective managers of the land. The whole attitude towards the control and use of land must be altered. We cannot afford to allow private individuals to control land for their own purposes irrespective of the interest of the general community. If we are to make agriculture a successful industry the control and use of land suitable for that end must be made the primary object. To withhold large tracts of useful land from cultivation merely to provide amenities for the residences of rich persons is a distinct loss to the community. The partial or complete waste of land for sporting purposes may be a commercial gain to the proprietors or a social privilege they value and are prepared to pay for, but it is nevertheless a loss to the nation. No other nation so wastes land as we do in these directions, and until we are prepared to change our attitude we cannot be said to take our agricultural industry seriously.

The logical course to pursue would be to nationalise the land. No community can be master of its destiny so long as the soil of the country remains private property. In every effort we make as a people to bring order and method out of the chaos and conflict which are the normal conditions of our social and industrial life, we are brought

up against the difficulties created by private property in land. The tension increases daily and is felt in many directions, and it is only a matter of time before the pressure becomes so great that the logical step has to be taken. But nationalisation of the land is not merely an agricultural problem; it is much wider and involves other industries, and wider social problems. We cannot, in agriculture, afford to wait for the land to be nationalised before we set to work to improve the industry. We must, however, definitely make up our minds whether or not the land is to be considered as a national asset in which the community has the predominant overriding interest, and before which private interests have to give way. My contention is that we must proceed frankly on the basis that we are always to consider agricultural land as the raw material of the agricultural industry, and that no private interests are to be allowed to divert it to uses less advantageous to the community. If we are to allow the vested interests of private individuals to take precedence of the needs of the community we cannot hope to make any real progress.

I have stressed the need for an altered attitude towards our use of land and our conduct of the industry because it is fundamental to any consideration of the methods to be adopted in dealing with the industry. There may be room for differences of opinion as to the best means to be adopted to attain certain ends in agriculture, but unless there is common ground in the main purpose we have in view, there can be little profit in discussing proposals for administration or organisation. The nation must first will

the end it is to work towards. That is a political question in which the whole nation is involved, and it is not a question to be settled only by those most directly interested in the industry. I believe that the nation will be compelled by force of circumstances to accept responsibility for the industry, and will set itself to develop agriculture as a definite public service, and it is in that belief that I put forward the proposals which follow.

The Administrative Authorities.

If the community is to assume responsibility for the agricultural industry it must create machinery which will be capable of exercising effective control. Any suggestions to this end will at once raise the cry of bureaucracy, and amongst no class is there greater antipathy to officialdom than amongst agriculturists. It is natural that this should be so. There is little organisation in the industry. It consists of small units worked according to the wills of a multitude of small capitalists. They are each of them supreme in their limited spheres, and such officials as have been appointed, appear to them as extraneous and unnecessary persons who come in to interfere with the work of those engaged in the business. Where these officials can be used to serve the ends of landlords, farmers, or workers, they are readily accepted, but when they intervene to serve the ends of the community, they are objected to as unnecessary, expensive and bureaucratic. From time to time we have an outcry against the horde of officials in agriculture, and imposing lists are drawn up, and the expenditure on the Ministry of Agriculture and

the Board of Agriculture of Scotland, massed together to show the "waste" of public money. No attempt is made to classify the officials, to show what different classes of work are being done, nor to show what the money is being spent upon. A case may be made out for making better use of the officials and the expenditure, but the wholesale denunciation so common, indicates a lack of a sense of proportion. Relatively to the number of persons engaged in the industry the number of officials is small. When comparisons are made with other industries, it should be remembered that much of the work done for agriculture by the State is done by the other industries for themselves. It is because agriculture is carried on as a small scale industry that the State has had to step in and do the work of research, experiment and demonstration, which large-scale industries do for themselves.

We have been groping towards a scheme of organisation to give the community a more direct control over the industry. Working along with the State departments we have now Agricultural Executive Committees in each county, representative of the public authorities, landlords, farmers and workmen. These Committees elect representatives to Agricultural Councils in England and Scotland, and these Councils appoint Executive Committees which act as Advisory Committees for the departments. These Committees and Councils have been too recently formed for any opinion to be passed as to the efficiency of the system of organisation. It is a distinct advance on anything that previously existed, and given a definite national policy in agriculture would probably form a suffi-

cient basis for such future developments as experience showed to be necessary. Without a definite policy the Committees and Councils are likely to shrink into debating societies merely, and become impotent to do any practical work.

Any attempt to lay down detailed constitutions for administrative bodies would be premature. The nature and extent of the administration necessary will depend on the form of organisation the industry will take, and that must be a matter of gradual development from the present position. Certain general principles may however be advanced. The central authority in each country ought to be organised on somewhat different lines from those presently existing. In England the Ministry of Agriculture is controlled by a political chief who works through a body of civil servants; in Scotland there is a body of civil servants who work under the control of the Secretary for Scotland. Every matter of administration thus becomes a political question, and has to be considered primarily in all its political and party reactions rather than from the point of view of the industry. In larger questions of policy it is not possible or desirable to prevent this, but the extent to which political issues dominate policy is not good for the industry. So long as Parliament concerned itself very little with the actual conduct of industries, the method of entrusting administration to political chiefs worked fairly well, but now that the State is concerning itself so largely with the actual conduct of most of the larger industries, and must do so to an even greater extent in future, we have to find a method of

administration which will separate the actual control of industrial processes from the more general questions of policy which are properly political questions. A Parliament which attempts to deal with every detail of administration, as well as with the large political issues, is bound to become overloaded, and must leave the great bulk of the work to permanent officials, over whom it can exercise no real control.

The central authorities ought to be real boards of control, subject to Parliament for carrying out the general policy laid down, but with greater powers of initiative and more freedom of action than the present departments have. They should be definitely representative of the principal interests involved. The Boards need not be large but should be representative of the scientific and technical workers in the industry, of the managerial interests, both land and farming, of the workers, and of the consumers. Full publicity should be given to the work of the Boards and the different interests involved should have ready access to the Board, and be kept in touch with its proceedings. It should not be necessary for those seeking information to resort to the cumbersome method of questions in Parliament, and the present attitude of burking enquiry so evident in the evasion of such questions should be frankly departed from. In short, the principle upon which the Boards should work should be that they are responsible bodies, dealing with the industry openly, and not sheltering behind a Ministry through the the bottle neck of which alone they find contact with those most directly interested in the industry. It is not so much a

change of machinery that is necessary, although that too is required and can be secured as experience proves advantageous, as a change of responsibility for the administration from the politicians to the industry itself.

But if control is to be effective there will have to be greater decentralisation than at present. "Farming from Whitehall" is a common butt of the easy jokes of those who want no State interference with farming, and nothing would please the critics better than a highly centralised system. It would be sure to fail. Farming in this country is not one industry, but many industries, and there is a remarkable variety of conditions of climate and soil within the shores of the island. Any attempt, therefore, to build up effective machinery on centralised lines would be to court disaster. There ought to be the closest touch between the central boards and the county committees, but the county committees should be given greater powers of initiative, and should have more responsibility for actual control within their areas. They should be thoroughly representative of the different interests within their area, and should work in close co-operation with the organisations of producers and consumers. The same attitude of direct responsibility to the industry should characterise all their actions. Their meetings should be public and their minutes and reports should be readily available to all interested. Only thus can they create the corporate spirit in the industry, and gain the support of the general community for the work they have to do.

If these county committees and national boards are to be successful, the organisation of the different interests

involved will require to be developed so that effective representative bodies will be available from which the representatives can be elected, and which can keep the individual in touch with the statutory authorities. There has been a remarkable development in recent years of the organisation of both farmers and workmen, but a good deal has yet to be done to create a corporate spirit. Naturally, in the earlier stages of such organisations, the tendency is to confine activity to the simpler issues with a wide appeal, but as the organisations develop they ought to be encouraged to widen the scope of their activities, and to become more representative of all sides of the members' interests. There is, too, a tendency to dispersion on the technical side. The multitude of breed societies, and organisations devoted to sectional interests are rather bewildering. The active and progressive farmer finds himself a member of a surprising number of organisations. This makes the representation of the technical side of the industry rather a difficult matter. There is not one technique in farming, but several techniques, and not a little rivalry and competition between the different organisations. It is all to the good of the industry that we should have this keenness for the promotion of different phases of the industry. So far, however, as the general control and administration of the industry are concerned, there ought to be no conflict of interest, and it ought to be possible to work out some method by which the technical interests in the industry should be able to secure representation on the authorities. On the scientific side we may hope that as the industry makes fuller use

of the services of the scientific and research workers we are training, that they would form their own associations and contribute their share to the work of administration.

What I have been discussing here is the organisation of the administrative authorities in the industry. These Committees and Boards will carry out the national policy in agriculture. They will not carry out the actual work of managing the land or running the farms. It ought not to be necessary to have to make such a disclaimer. There is a sufficiently clear distinction between administrative work and the actual conduct of an industry, and to those who are considering the problem with an open mind, the distinction between the two spheres will be apparent. Unfortunately, however, when proposals are made for anything in the nature of collectivism in any industry, too many people are inclined to jump to the conclusion that the whole industry is to be run from top to bottom by a government department, and at once the bogey of a host of officials is exhibited, to save the critics the necessity for dealing with the merits of the case. Knowing the weakness of agriculturists for pouring scorn on farming by government departments, I deem it wise to make it clear that I have no intention of proposing farming by committees or boards. It will be necessary for these committees and boards to arrange for the management and cultivation of land, but when they do so they will decide policy and decree what is to be done with the land, but will hand over the actual work to those who, by training and experience, are competent to carry it out. I have sufficient faith in the common sense and capacity

of the representatives who would be elected to the committees and boards I have suggested, to believe that they will know enough about the industry to leave the actual work to those who are competent to do it. Their business in such cases will be to select the right people, and if they are not competent to do that I cannot imagine what other method could be devised to place the industry in the hands of the people who can make the best use of the land, and the scientific and technical knowledge at our disposal. The mere possession of money and a desire to engage in farming are not sufficient qualifications for justifying a man getting possession of land. We have tried that and we have the problem I have endeavoured to state in earlier chapters. That we have had farming by committees in the past, on co-operative and municipal farms which have brought such farming into disrepute is true, but the fault has generally arisen from the fact that the committees did not know anything about farming and so desired to run the farms by Committee. They imagined that could be done by putting them in charge of men whose principal qualification from the committee's point of view, was that they were willing to undertake the management for a wage a few shillings higher than that of a ploughman, and had not enough self-respect to insist that they should be allowed to do the work they were appointed to do, even if they had the qualifications, which was not often the case.

There are three general lines along which the work of the committees and boards may be developed. The first is the grading up of farming under the present system so

as to weed out the inefficient and indifferent landowners and farmers; the second is the development of new methods of farming; and the third is the improvement and reclamation of land suitable for agriculture. In each of these directions it is important that the work of research, demonstration and education at present going on should be more fully developed, and the closest relations kept between the scientific side and the practical work.

Control of Land and Cultivation.

Under the Corn Production Act powers were given to the Ministry of Agriculture, and the Board of Agriculture for Scotland, to enforce a standard of cultivation. These powers were not used to any extent during the War, as it was found simpler to rely upon the powers under the Defence of the Realm Acts. By virtue of these powers a considerable amount was done, principally in the direction of breaking up grass land and in securing an increased acreage devoted to cereals. The Agriculture Act, 1920, was introduced to make permanent the provisions of the Corn Production Act, and as it was first drafted, did promise to give powers which could have been used to deal with owners and tenants who were failing to make proper use of the land they controlled. During the passage of the Act through the House of Lords, the old spirit of opposition to any interference by the community with the private ownership and control of land was sufficiently strong to secure such a weakening of the powers that the Act as passed falls very far short of what is required. The central weakness of the Act is that the powers to secure

proper maintenance and cultivation of the land are dependent on the guaranteed prices. If, as I believe will be the case, the policy of guaranteed prices is departed from, the provisions of the Act for enforcing good husbandry also lapse. But, in any case, powers to enforce good husbandry which are avowedly taken as a complement to guaranteed prices cannot be effective unless the guarantee of prices is a substantial safeguard to the farmer who is prepared to farm well. It has to be remembered that to the majority of farmers the guaranteed prices for cereals mean very little, and to a considerable number nothing at all. To make the compulsory powers depend upon these guarantees is to create the presumption in the minds of the members of the committees that compulsion ought only to be exercised where State aid is received.

The powers given under the Act limit the control of cultivation to securing by service of notices the maintenance, so far as practicable, of land, "clean and in a good state of cultivation and fertility and in good condition" and the improvement of existing methods of cultivation "without injuriously affecting the persons interested in the land." Unreasonable failure to comply with a notice served is punishable by fine, but the power to determine tenancies or take possession in case of default has been repealed. Where good husbandry and food production have been prejudiced by the gross mismanagement of an estate, the Minister of Agriculture may make an order appointing a receiver and manager to act on behalf of the owner with wide powers of management. The most significant thing is the repeal of the power to determine

tenancies and to take possession in case of default. Without such power the passing of orders and inflicting of fines will be of little use, and we may expect Committees to resort very seldom to direct pressure when they have no power of making such pressure effective. The fact that the power to evict was refused is a direct instruction to the Committees not to attempt anything of a vigorous nature. They may deal with the grosser cases of neglect, but as active agents in bracing up the handling of land they are not meant to do more than advise and recommend.

I believe that the Committees ought to be given powers to take over the control of land even where gross mismanagement on the part of the owner is not alleged. It is absurd to allow the inefficiency to continue until the stage of gross mismanagement is reached. Many owners fail because of financial inability, and much damage can be done and loss be caused to the community long before the stage of gross mismanagement is reached. If the Committees can show that the best use is not being made of the land because of defective or impoverished management, and the Committees are prepared to accept the responsibility for improved management, they ought to be empowered to proceed. There will be mistakes made by the Committees, and they will not fail for want of critics, so that the test for them will be a real one. If the Committees make good the nation will benefit. The policy will have to be judged on its total results, and the responsibility will rest upon the whole community. That responsibility ought to be accepted if we are to make demands on the industry.

The same method ought to be adopted in dealing with tenants who are not making the best use of the land they hold. If the Committees are satisfied that better use could be made of the land they ought to be prepared to shoulder the responsibility, and if the tenants will not alter their methods, the Committees ought to have the power to take over the farms and instal competent managers who will make better use of the opportunities. That is a reasonable test to apply to the Committees. There is no justification for them recommending altered methods unless they are prepared to undertake the responsibility for the courses they propose. We need not fear that any sudden revolution will occur because the Committees are given these powers. The Committees are likely to be conservative rather than revolutionary, but given a clear expression of the national will to make the industry a real public service, the results will have a tonic effect on the industry, and by trial and experiment we may reasonably hope for progressive developments.

Under the Agriculture Act, 1920, where a receiver and manager of an estate is appointed by the Minister of Agriculture, the intention is to manage the estates which have been grossly mismanaged, for the benefit of the owners. In the Act as originally drafted power was to be given to the Minister to determine tenancies and to farm the land, or to let to other tenants. The idea underlying the powers in the Act, and in the proposals which were deleted from the Act, was that a temporary arrangement should be made in the public interest, but that the rights of the owners should still exist and the estates might

be handed back again to the owners, or the farms might be managed by the owners, after the unsatisfactory tenants had been got rid of. This is neither fair to the community nor good for the industry. It would mean that the State would have to handle the derelicts and accept the responsibility and risk of putting them into going order, after which the owners would resume possession. If the State takes over mismanaged estates and farms neglected land, and proves that it can make effective use of such estates and farms, it ought in the national interest to continue possession. If the burden is found too heavy for the State, the likelihood is that it will be left in possession. It would be a foolish policy to use the resources of the State to salve the derelicts, and then hand the going concerns over to private individuals, leaving the failures for the State to carry. When an estate has to be taken over, the landlord should be dispossessed and compensation for his rights granted him on the basis of a mismanaged agricultural estate. If a tenant is got rid of he should be treated in the same way. But once the State enters into possession it should remain in possession.

I am aware that the policy I am advocating is not one that will be profitable to the State, considered on a purely commercial basis. It is likely for a time at any rate to prove more costly than remunerative, but in the long run it will pay to prevent the deterioration of national resources, and there is no other way unless we are prepared to see land further impoverished and neglected, and cultivation decreased.

The powers I have proposed to give the Committees

would mean a drastic interference with the management of agricultural land and with farming. But the extent of mismanaged estates and inefficiently-farmed land is too great for us to hope that less drastic measures will suffice. Sir Daniel Hall's opinion is striking:—"The most effective lever to secure the better farming that is now needed in the national interest would be to give the State powers to take over any land that is being inadequately used; the State could then develop this land either on the large farm system or by settling it with small-holding colonies. In this way pressure would be put on the owners of land to make the most of it, pressure arising on the one hand from increased competition owing to displacement and on the other from the implied threat of dispossession if the occupier is allowed to farm badly. But if the State is to be given power to take over land that is not being fully utilised, it must also be prepared to farm the land itself on one or other of the methods indicated. The justification for such drastic measures is the critical situation into which the nation has drifted and the imperative necessity of developing the production of food on our own soil, but these measures cannot be adopted until the State is ready to manage the land itself." ("Agriculture After the War," p. 65.)

Demonstration Farms.

The second line of work the Committees should undertake is in the development of new methods of farming. I do not mean the experimental work which is done at present by the Agricultural Colleges and the various research

associations and societies. That work ought to go on as it does to-day, and under the control of the scientific workers. The Committees may do much to assist in such work, and in making the results known, or directly by applying proved results in the land farmed under their direction. What I have in view is developments on the economic side. We ought to have demonstration farms of various kinds run on economic lines, the whole results of which would be available for the information of those interested in the industry. We might describe this as experimenting in the economics of agriculture, and there is urgent need that we should have some more exact knowledge as to the economics of agriculture. On the scientific side we have a large body of exact and valuable information; on the economic side we are still floundering about in the regions of surmise and guesswork. In one direction we ought to have bold and courageous experiment, and that is in large scale production. There are a few large farms in this country worked intensively, but it is difficult to get figures to show the relative cost of production and output per units of labour and capital employed, so that comparison may be made with the typical farms ranging round 200 acres. Most authorities are agreed that the least economic unit for farming is 100 to 300 acres. In England and Wales we have 69,716 holdings of from 100 to 300 acres, occupying 11,792,000 acres or 45 per cent. of the cultivated land. This gives an average size of 169 acres. Obviously if the authorities are right in their contention that these are uneconomic units for the employment of capital and labour, we ought as a

community to get away from such units and organise our agriculture on the lines that will give us the best economic results. The present distribution of land may suit farmers because the amount of capital required for those farms between 100 and 300 acres is within their reach as individuals, but it is not in the interest of the nation that we should be using capital and labour uneconomically, merely because it suits the farmers. The agricultural workers are vitally interested in this question because their prospects depend on the most economic use being made of their labour. The larger the output per unit of labour employed the greater the margin from which improvements can come.

How far the cost of production can be lessened by increasing the scale of operations in farming is a problem for investigation. There seems no reason why on large scale farms, economies in management, in the organisation of labour, in the more effective use of modern machinery, and in buying and selling on wholesale lines, should not be the result as in other industries. Even more important is the opportunity for economies in the use of land. It is not possible to compute the waste that results from the present arrangement of fields and farms, but it must be very large. The unnecessary fences and hedges waste a considerable area of land. In Oxfordshire alone, according to Mr. C. S. Orwin, the roadside hedges occupy an area of 1,500 acres. When the land was enclosed the laying out of the fields was not arranged to make the most effective use of the ground, but was done to suit the various interests and to satisfy claimants. The result

has been that many farms are most uneconomically arranged, and a great waste of land and labour is entailed.

It is not likely that we shall have any great development of farming on joint stock company lines which would be the only way that private enterprise could operate in this direction. The State could and should finance experiments in this direction, so that reliable data could be got to guide us to the best form of organisation for the industry. We ought to have farms of 1,000, 2,000, and even up to 10,000 acres undertaken by the State working through the County Committees. I am aware of the practical difficulties in the way. There would be the difficulty of securing the necessary managerial and expert staff for the work. As I have already pointed out we have not provided opportunities for training men for such work, and it would not be easy to find the right men. We should have to begin with a few large farms and trust to the opportunities of training the necessary men on these farms for an extension of the work. That there would be no lack of men willing to train seems evident from the number of young people who train now with practically no prospects of being absorbed in the industry. With the prospect in front of them of an honourable career in the public service we have every reason to believe that the industry would prove attractive and that the authorities would be able to bring a valuable draft of fresh blood and new ideas to the industry.

The third direction in which the Committees could find useful work is in the reclamation of waste lands. Obviously this is work which can only be undertaken on

national lines. There is no likelihood of private capital being employed in such work. It does not offer sufficiently profitable returns. How far such work is worth undertaking depends on other considerations than the purely economic returns. It may be found that such work offers a way of employing surplus labour at times when other industries are not able to employ the workers. Again it may be found advantageous to the community to develop land in certain areas for social reasons. The issues involved are questions of policy for the community to decide, but if it is desired to reclaim and develop waste land, the work would naturally be carried out by the Committees acting in conjunction with the Ministry.

The Unit of Production.

If the policy I have outlined is adopted and a higher standard of cultivation is enforced than generally exists at present, we may expect that the community will find it necessary to take over much land badly managed or indifferently farmed at present. The question arises what is to be done with such land. Where it is necessary for the community to take the place of the landlord, it may not be necessary to change the tenants if they are able to make effective use of the better opportunities which *ex hypothesi* the change of ownership will effect. The only alteration we need consider in such cases would be where the development of the land was being hampered because it was portioned out in uneconomic units. The interest of the community would be to secure the most effective use of the land and it might be desirable to amalgamate some

holdings and to divide others. No rule can be laid down. Each case would have to be considered on its own merits. In some instances the committees might decide to take over the cultivation of the land from the tenants, because they believed that it could best be developed as large scale units; in others they might decide to let to tenants, if suitable tenants offered. Similarly with holdings from which tenants were evicted because they were inefficient. It might be simpler for the Committees to replace the undesirable tenants by others who appeared likely to make proper use of the land. Where, however, the Committees took over the actual cultivation of the land it would not be wise to hand over such land again to private individuals. Generally speaking the tendency would be for private enterprise to seek to replace the committees where they had proved that the land could be profitably farmed and to avoid the holdings which the committees found least remunerative. It would not be in the public interest to accept the risks and make the expenditure for the purpose of providing remunerative openings for private individuals and leave the more burdensome holdings for the public to maintain.

If the policy I suggest is adopted we may expect that a considerable amount of land will in the course of a few years come under the control and management of the agricultural departments and committees. The transfer would be gradual and we do not require to envisage anything in the nature of an upheaval in agriculture from the adoption of such a policy unless it is accelerated by such a collapse of the markets as will drive out those engaged

in farming at present. There are two main lines along which the occupation of land may develop and we may consider how the community will tend to proceed, whether by way of large units, or by the creation of small holdings.

I have already indicated that I do not see any future for small holdings under our present system of land tenure and under present conditions of agriculture. It may be contended, however, that the problem is essentially different if the land is under the control of the community and that the state may find it better to encourage small holdings. Those who hold this view are generally prepared to admit that any substantial increase of small holdings depends on the extent of co-operation amongst the small holders, both in the provision of credit and in buying and selling. So far the results of the propaganda of co-operation amongst farmers and small holders in this country have not been very encouraging and compared to what has been effected in other countries, the progress made has been disappointing.

The most outstanding successes in co-operation are to be found in Denmark and Ireland and there are features common to both countries which are not present in Britain. Both Denmark and Ireland are countries without such minerals as enable them to engage in manufactures on any effective scale. They are dependent on agriculture and must concentrate upon it. They are both countries producing milk products, eggs, and bacon for export. The home market in both countries is of less importance. It is necessary to bulk the products, and to standardise them if trade is to be done. This makes co-operation not merely

desirable but absolutely necessary, and the nature of the products makes it simple. Both countries developed co-operation in an industry already in the hands of small holders, and the small holders are able to survive because co-operation was developed.

We should have to start from the other end and create the small holders. If we did so the small holders would have to compete through their co-operative societies with the co-operative societies of Denmark and Ireland and in the same products. The competition would be intense and unless there was a margin in favour of our small holders either in cost of production, in cost of transit, or in quality of produce the result would not be prosperity for the small holders in this country. Unless the intention is to create small holdings by heavy subsidies from the State I cannot see how the cost of production can be less in this country. It would be a very expensive business creating small holdings. According to the Minister of Agriculture, in presenting the Agricultural Estimates this year, the Government is finding that the provision of small holdings for ex-service men is proving very costly. The policy now is to restrict the expenditure on one holding to £2500 for land and permanent equipment alone. He estimated that 40 per cent. of the cost would not be recovered from the holders and would have to be borne by the state, and his estimate is probably under the actual figure. Obviously, that policy cannot be continued to the stage of creating such a number of small holdings as will make co-operative societies able to compete with the established traders of Denmark and Ireland. But even the portion of the cost falling on the small holders is enough to prevent any

advantage in cost of production for the small holders in this country unless their standard of living is to be brought below that of the Danes and the Irish.

When we go outside butter, cheese, eggs and bacon, the possibilities of co-operation are much more limited. It is not an accident that co-operation has been most successful in these products. The reason is to be found in the nature of the products themselves. Something might be done in vegetables, fruit and flowers, but these are products restricted to definite and limited areas in this country and they can be more economically produced on the large holdings. When we come to the production and sale of milk, meat, cereals and potatoes, the small men are at such a disadvantage on the productive side that co-operation cannot carry them over.

At the best, however, co-operation cannot do more for small holders than lessen the handicap against them in buying and selling alongside the large producer. There is no virtue in the small holding on the productive side unless we are prepared to neglect the labour cost of the small holder and his family. Whether it be in growing grain or potatoes, feeding bullocks or producing milk, the most economic unit for the community is the large unit. Modern machinery and scientific knowledge have given the advantage to the use of large capital in the production of these staples. It is by operating these on a scale which will secure their most economic use that the interest of the community will best be served. The small holder even by the expenditure of excessive labour cannot compete against the large producer.

Whether agriculture is carried on as a system of private enterprise for commercial profit, or developed as a public service for the community, it will have to face the competition of other lands. It may be possible for a time to get the community to subsidise small holders, to guarantee prices to farmers, or to finance collective farming, but in the long run the public will insist on the industry standing on its own feet and meeting the competition from abroad. If other lands are more favourably situated for the economic production of certain agricultural products than this country there is no reason why we should produce these at a higher cost, and so divert labour from its most economic use. It would be better for us to concentrate on producing the goods where the advantages lie with us, and to exchange our products. That means that we must be prepared to use both capital and labour in the directions where the greatest net return can be secured. I believe it will be found that it is by large scale farming that agriculture will be best able to face foreign competition.

I have already indicated that what we require most is research in the economics of farming. There is no body of reliable evidence to show what is the most economic unit for farming operations. It is not difficult to show that most of our farms ranging round 200 acres carry too heavy costs for equipment and management on the possible output. The farmer's time is largely taken up in mere trading which adds nothing to the productive side of the industry, interesting and lucrative as it may be in many instances to the farmer. But such criticisms do not carry us far on the way to demonstrating the most

economic unit or the best way for the community to organise agriculture. Until we have a great deal more data we cannot find a reliable basis on which to build. One of the first things we ought to set ourselves to discover is the actual costs of farming operations and the comparative results of different sizes of holdings. It is regrettable that the beginning made by the Government in setting up Costings Committees has practically been abandoned. How necessary this work is, a reading of the evidence led before the Royal Commission on Agriculture will demonstrate. It is the most urgent branch of research work.

There are certain directions, however, in which we may reasonably expect large scale holdings to show reduced costs. On a 1,000 acre farm, the land could be so laid out that there would be less waste of land than on 5 farms of 200 acres. There would be less waste of the time of men and horses because the fields could be better planned. One has only to travel through England and watch the lay out of the fields to see the enormous waste of time there must be in working badly laid-off fields. The permanent equipment on one large farm would be relatively less costly than on 5 smaller farms. Instead of five farmers there would be one manager. With more and better machinery the output could be as great from the 1,000 acre farm as from the five farms, with fewer men employed, or the output could be increased with the same number employed. Economies could be effected in buying and selling on a large scale, transport would be relatively cheaper, and the organisation of labour on the

larger unit would be more economic than on the separate farms.

I think we may reasonably claim that large scale farming would give these advantages all of which would tend to reduce costs. On the other hand is it too much to expect that the larger units could give us better production by the opportunities for more skilful management, for the employment of more specialised skill both on the scientific side and on that of the workers? In other industries it has been found that the larger units can afford to pay for the best skill, and that economies are effected both in the direction of reducing costs and in increasing output. In agriculture we are told these results would not be secured. Just because it is a small scale industry we find that the old superstitions are encouraged. Agriculture is held to be a mystery into which men have to be born, and which will not reveal its secrets to intelligence and organisation. We are solemnly assured that the personal factor is everything and that it is not possible to reduce practice to system and organisation. Yet, on their own showing, these born farmers have not made a triumphant success of the industry. They are prone to plead that they could not even make a living at it. That it is really something of a mystery to most of them I am ready to believe, after sitting many days listening to their endeavours to show what it cost to produce an acre of wheat, and how every crop they grew resulted in loss. If any reader imagines I am exaggerating I would recommend a reading of the evidence of English farmers before the Royal Commission on Agriculture, 1919.

Agriculture is just as capable of being reduced to system and organisation as any other industry. Indeed, until we do bring system and organisation into the industry we shall continue to grope along in ignorance of how best to use our resources. Consider the futility of having to appoint a Royal Commission to discover the cost of growing wheat! But that was capped by the discovery made by the Commission that there was no way of finding the cost, and so the Ministry of Agriculture made a guess (which it revised next week) and the Government based its guaranteed prices on the revised guess. Until we do organise the industry and get reliable data from properly kept cost accounts, we have no means of knowing what are the best means of developing the industry, or how the best use can be made of the land, labour and capital of the community.

IV.

The Consumers' Interest.

Fiscal Policy.

The main interest of the community in agriculture is as consumers. They desire to get the food they require produced in sufficient quantity and as cheaply as possible. If that can be done by the producers in this country on more favourable terms than it can be secured from abroad, they will buy the home produce, but if the home producers cannot compete with overseas supplies, the community is not likely to penalise itself in the interest of the agricultural industry. This is a common ground of complaint by farmers against the people of this country. They inveigh against the cry for cheapness and plead that in the national interest the consumers ought to be prepared to forego the advantage of free trade prices so as to maintain a larger production in this country and a larger rural population. At the same time they show no desire to give up the advantages of free trade in the commodities they consume themselves, either in the course of their business or as citizens. This weakness they share with most advocates of a system of protection.

There is nothing sacrosanct in the policy of free trade. It is a policy and there is no reason why we should elevate it to the rank of a principle which must be accepted on any ground other than that of expediency. If it could be shown that on the balance the national advantage lay in

maintaining the agricultural industry in this country at the expense of the consumer, we should be justified in giving the farmers a protected market. Unless, however, it can be shown that the agricultural industry is making the fullest use of its opportunities, and conducting its operations on the most efficient lines, no good case can be made out for protection. I have tried to show that the industry generally is not being as efficiently conducted as it could be, and that it has not reached the limit of what is possible even under a system of profit-making capitalism. The effect of protection would not be to induce greater enterprise and efficiency, but would tend rather to ensure easier profits to the inefficient. In itself it would do nothing to increase production on economic lines. It would inevitably lead the industry to concentrate on efforts to secure higher protection, and to look for increased profits from better prices rather than from improved methods. From the point of view of the community it is questionable if protection would give the desired increase in production, or secure the maintenance of a larger rural population. The cost to the nation would be a heavy one and no method has been devised of preventing a system of protection from enriching the land-owners and capitalists at the expense of the general community. The agricultural workers in particular have no reason to believe that any benefit which they might conceivably secure, as workers, from an industry which employers might conduct more profitably under a protective system would compensate them for the higher cost of living such a system would necessarily entail.

I am convinced that the industry will develop more

soundly under the system of free trade. Experience has shown that any other system would be very difficult to impose upon the people of this country, and if imposed would be very difficult to maintain. There would never be sufficient confidence in the maintenance of the protective system to provide a healthy basis. For that reason I believe that any efforts to establish the industry on the basis of protective duties or guarantees are not in the best interest of the industry and that the sooner we revert to the condition of open markets and dispense with guarantees the better it will be for the industry. All such proposals for buttressing the industry are put forward for the purpose of conserving the interests of the landowners and farmers in the first instance. The assumption is that the industry must give a sufficient return to the owners of land and the owners of capital, otherwise the workers cannot be employed. While the proposals are advocated as a means of keeping the land in cultivation and maintaining more workers in employment, these ends are dependent on the rents being paid to the landowners, and the profits secured to the farmers. Without such rents and profits the present system would not function.

But it is not the business of the community to ensure that rent and profit will be created for the classes who live by them. The interest of the community is to secure the necessary food on the most favourable terms. That interest is often narrowed to mean cheap food only. While it is desirable that we should get our food as cheaply as possible, the price must be such as will secure to the producers a proper standard of living. That means that those whose labour, skill and management are necessary

for the work of production shall be properly paid, and work under conditions which will give them reasonable opportunities for living a good life. It does not mean that certain individuals as landowners shall be paid the economic rent of land accruing from the natural advantages of site and soil. Such economic rent ought to accrue to the community. It does not mean that there should be opportunities for the owners of capital to exploit the labour of the workers, and the national resources, for profit-making. These are sectional and class interests which run counter to the interest of the general community.

I have tried to make my general position clear because it will probably be asked what the position of the landowner and farmer will be under the agricultural system I have proposed. We are likely to have both private owners of land and tenant farmers working for profit, continuing for some time in this country. I have not proposed the wholesale expropriation of landowners and farmers, but merely the gradual taking over of the industry by the community by the enforcing of a standard of cultivation on farmers, by the taking over of badly managed or impoverished estates, and by the gradual extension of large-scale farming. It may well be asked what the position of the private landowner and tenant farmer will be under such a system, if they are to be left to the chances of the market without any protection or aid, and yet compelled to maintain a standard of cultivation. My answer is that they must take the risk. They do not hold land or engage in farming to provide for the needs of the community. They do so to serve their own ends. It is not the business of the community to further their interests

as private individuals. If they engage in these pursuits because they hope to serve their own ends, they must accept the risks. They are not entitled to ask the community to bear their losses if their ventures do not succeed. All they are entitled to claim is that the community should not dispossess them without reasonable compensation if they are conforming to the standard laid down by the community for the use of the national resources in the land.

The view here expressed will appear the rankest heresy to the landowners and farmers. They are accustomed to think of themselves as the agricultural industry and that they have a claim upon the community because they are the food producers. They have been more clamant in their demands upon the State during the past few years because the dependence of the community on home-produced food during the war was greater than it had been for half a century. There has been much talk by farmers about agriculture saving the nation, but what was really meant was that the farmers had been the saviours. What they forget is, that even in the stress of war conditions they were not prepared to forego their own commercial interests. They were prepared to serve the State on terms. No one need blame them for exacting terms. They are in the industry to make a living or to make money, just as other capitalists invest their capital in various industries. Such service as they give to the community is dependent upon their own personal and private ends being served, and they are quite prepared to sacrifice the public interest in seeking their own gain. So long as the community accepts the present basis of

industry there is no reason why they should apologise for doing so, but there is equally no reason why they should assume a virtue they do not possess, or make claims against the community which are not justified by services rendered.

If the landowners and farmers find that they cannot continue under the conditions obtaining, the community will have to accept responsibility for carrying on the industry. The conditions will undoubtedly be more severe and only the most efficient are likely to survive.

Whether the agricultural industry in this country can successfully compete against foreign produce is a question on which it would be unwise to dogmatise on the information at our disposal. The landowners and farmers have evidently no faith that they can do so in corn-growing at any rate, otherwise they would not demand to be subsidised by the taxpayers. I have adduced sufficient evidence to show that part of the failure in the industry is due to causes that it is within the power of the community to remove, and if the measures I have outlined are adopted, I believe part of the handicap can be removed, although it will entail a fundamental change in the whole structure of the industry. Whether these changes will make it possible for us to produce corn at a cost that will enable us to compete with overseas supplies only time can tell. Before the war we imported four-fifths of our requirements in wheat and flour, but all authorities are agreed that even under the conditions then obtaining, the home supply could have been increased if our farmers had been more skilful and enterprising. With a vigorous policy of weeding out the less efficient farmers and the provision

of more capital for permanent equipment and greater security to the farmers who are prepared to make a fuller use of the land, we may reasonably expect to increase home production. I do not think, however, that it is a wise policy to place all the emphasis on wheat production, as has been done during the past two years. That was a natural result of war conditions, and grew out of the emergency created by the submarine danger. We were compelled to concentrate on the home production of bread stuffs, and to secure an increase at any cost. Any attempt to continue that policy under peace conditons and with open seas could not be maintained in a manufacturing nation, and the longer it is continued the more harmful will the effect be on agriculture in the long run. The industry should not be stimulated to develop in a direction which requires subsidies, but should be encouraged to find the directions in which the best returns on the capital and labour employed in it can be secured without the aid of guarantees or subsidies.

It is exceedingly difficult to estimate what permanent effects the upheaval caused by the war will have on the world prices of foodstuffs. Before the war prices were steadily rising, and the farming industry, as I have shown in previous pages, was feeling the effects of the improved prices and responding slowly. There is reasonable ground to believe that when world conditions become more settled the pressure of population on the available sources of food supply will somewhat reverse the tendency of the second half of the nineteenth century. The exploitaton of virgin soils for wheat growing is not likely to compete so seriously against the intensive agriculture of this country, and we

may reasonably expect, with greater attention to more economic production, that the industry will hold its own, and improve as time goes on.

When we consider other branches of farming we do not find the same pessimistic outlook among those engaged in the industry. Home production in meat and milk has many advantages and is able to hold its own, as was proved during the depression. Foreign competition has been most severe in butter, cheese, eggs and bacon, largely because we neglected these commodities and left the market to competitors who had no natural advantage. There is no reason why we should not improve greatly on the productive side in these commodities and so do something to win back our own markets.

Markets and Middlemen.

It is not merely on the productive side that we fail. On the distributive side the industry suffers grievously. There is no organisation to enable the industry to market its products economically. Instead we have an absolute riot of dealers and middlemen few of whom perform any real service to the community for the addition they make to the retail prices of the commodities. They exploit the unorganised market for their own gain with the result that both producers and consumers suffer from their activities. Efforts have been made by the different agricultural organisation societies to establish more economical methods but with little effect on the whole market although in certain commodities and in definite districts they have proved how wasteful the old methods are.

If we take the distribution of milk as an example, we may gain some idea of how the producer is robbed and the consumer penalised. Milk production was the most sweated occupation in agriculture before the war. Attempts were being made immediately before the outbreak of war to organise the milk farmers for the purpose of limiting the cut-throat competition amongst them. We had a multitude of farmers producing a rapidly perishable commodity with no reserve of capital, requiring to turn their product into money at once. The wholesale dealers took advantage of this and played off one producer against the other. The men who were dependent on milk production found the market raided in summer by other farmers who had surplus milk to dispose of, and were concerned merely to get rid of it without any consideration of the effect on the market. The result was that the price was cut to the point where the farmers could keep going only by the help of the unpaid labour of their own families or by working their paid workers excessively long hours. Money was made in milk production, particularly by those farmers who were near industrial centres and could dispose of their milk retail, but the conditions of employment were the worst in agriculture and that is saying a good deal.

How the consumer fared is notorious from the series of Acts and bye-laws dealing with the sale of milk and the continual prosecutions for adulteration. Step by step the authorities had controlled the distribution and sale of milk until control of production was reached to ensure that the consumer was neither swindled nor infected with

disease. The traders could not be trusted to give the consumers milk which was unadulterated or handled in such a way as to limit the possibilities of epidemic disease.

While the farmers complained that the price they got for their milk entailed sweated conditions on their workers and themselves, the consumers complained that they did not receive the advantage of the cheap milk. Here and there milk was undoubtedly sold at a price that would not pay properly for its production, but the bulk of the consumers were paying a price that should have given them a pure and clean supply and secured to the producers reasonable conditions of labour. The ridiculous system of distribution meant that the middlemen made a living (and many of them very good livings) while the consumer was cheated and the farmers and workers sweated.

Anyone who has to travel much on our railways cannot fail to see the reason. For some time I have examined the labels on milk churns at many stations and I have been amazed to find how frequently milk is sent travelling over a railway where it passes milk going in the opposite direction between much the same points. It is not uncommon to find milk being sent on a journey of 200 miles to a town, where milk within fifty miles of that town is sent on another long journey in the direction of the other source of supply.

The Food Ministry found it necessary to prevent this waste of transport during the war, but it is as necessary to prevent it during peace.

Even more wasteful is the distribution inside towns and industrial areas. The multiplicity of shops, carts and

barrows, and the waste of labour of men, women and children all increase the cost to the consumer, render the work of inspection and control difficult, and multiply the risks of infection. The following quotation from a report issued by the Labour Party on "Labour and the Milk Supply" gives some idea of what the waste is:—"The methods of distribution are wasteful in the extreme. In Derby, for instance, the sales of milk in October, 1919, averaged 32,000 gallons per week. The sales of the Co-operative Society were close on 17,000 gallons, i.e., more than half the total supply. There are two hundred and twenty-four retailers to supply the remainder. The Co-operative Society have only sixty-three men and seventeen women selling milk from barrows, and four men with horses and floats, and yet they visit more than half the houses in the borough. Moreover they maintain that with forty-five to fifty more barrows they could undertake to visit daily every house and replace the two hundred and twenty-four retailers."

In Glasgow when the last controlled prices were fixed, and in the efforts made by farmers and milk distributors to regulate prices since control ceased, 1/- a gallon was allowed for the distribution to the consumer. If private enterprise cannot do it for less, that merely demonstrates the costly wastefulness of private enterprise and the need for better organisation. Nor should we forget that the waste is not merely in labour. A milk distributor at a Wages Board meeting defending the cost of distribution added the significant remark, "You forget how much we have to pour down the drain."

The milk trade is the most striking example of wasteful and costly distribution. It is so palpable that it cannot escape the observation of any thoughtful person. But the same thing is true in varying degrees of other commodities. One has only to visit county towns on market days to see the multitude of farmers and dealers in all commodities who are still doing business in the leisurely gossiping way, which is more sociable but less efficient than any other industry can afford. A great many of those engaged in the business are mere dealers, who give no real service to the community as distributors. They make a living and sometimes amass considerable wealth but it is at the expense of the community and not by any services they perform. The truth is that no industry maintains so many middlemen as the agricultural industry, and in no industry is there more scope for organisation to eliminate the middleman and to bring the producer and consumer into more direct relations. The saving which could be effected in this direction would do much to place the industry on a more healthy basis.

There are signs that the farmers recognise this and efforts are being made to organise the markets in their interests. I do not think that they will be very successful. They are inveterate dealers and one has only to see them at any of the larger stock sales to see how intensely individualistic they are and how anxious they are to get a shilling more for their lambs or a pound or two more for their bullocks than their neighbours. The dealers know the weakness of the farmers for making personal bargains and trade on it, both in selling and buying. It

will be exceedingly difficult work organising the markets from the producers' side, but if it were possible it would not be a good thing from the point of view of the community. A ring of producers might be able to hold the community to ransom. The organisation will more probably come from the distributors' side. We see the beginning of this in what is practically a milk trust in the London area. There is even greater danger to the community in such a direction. Both producers and consumers may be squeezed to make profits for the shareholders in the combine. It is not difficult to imagine a meat trust operating in the same way.

It is highly desirable that we should eliminate the wasteful competition of a multitude of dealers and organise distribution in such a way that foodstuffs are brought from the producers to the consumers with a minimum of cost and waste. The obvious course in dealing with milk is to organise the distribution on municipal lines. Milk is a necessity in regular demand, the consumption of which does not vary greatly from day to day. The municipalities have been compelled to regulate the distribution and to standardise the quality in the interest of the public health. It is absurd that it should have to act as policemen to a number of private traders, when it can quite easily organise the distribution itself. If Clydebank Co-operative Society can supply milk to 78.5 per cent. of the total population within its area, there is no practical difficulty in any municipality undertaking the distribution for the whole of its inhabitants. From distributing milk the municipalities should go on to production on their own farms. They

would then be in a position to fix the price to be paid to the producer having their own experience to guide them. Farmers ought not to object to this. They are fond of asserting that public bodies cannot farm successfully and they need not fear the competition of the municipalities or to accept the producers' price according to the municipal experience if they really believe that municipalities cannot farm properly.

In other agricultural commodities the consumers' co-operative societies offer the best means of organising the markets. These societies now control a very large share of the retail trade in food stuffs and their wholesale sections are also very large dealers.

In recent years they have been entering into farming and we are likely to see an extension in this direction. It cannot be said that the co-operative societies have as yet shown any advance in ordinary farm practice. Their farming has not been outstanding in any way, either from the point of view of scientific production, or in the conditions of the workers. The reason is probably to be found in the fact that they have taken up farming as a side line, and have made no attempt to enter into the business as seriously as they have taken up such industries as boot-making, clothing, milling, and so on. Generally they have been content to put their farms into the hands of bailiffs or grieves with no training beyond what an intelligent workman may pick up as ploughman on a farm. They do not seem to realise that modern farming is not a rule-of-thumb business and that a salary of about £200 a year will not attract an efficient manager to-day. Any

man with ability to make a success of farming can do very much better for himself in the business than that. I am far from decrying the ability of the farm workers to rise to managerial positions if they are given the necessary training and opportunities, but at present they get practically no training in this direction and the more enterprising of them leave the industry because there are not sufficient opportunities for rising to such positions. The co-operative societies are not to blame because there are not more competent managers to be had, but they are to blame for taking such a limited view of what is necessary, and for attempting to get their farms run by underpaying managers or for attempting to do without competent management.

V.

The Future of the Farm Worker.

So far the changes I have suggested in the industry have been considered chiefly from their effect on the land-owners, the farmers and the general community. I have said little, except incidentally, of their effect on the workers engaged in the industry.

I am convinced that there is no hopeful future for the agricultural workers if the industry continues to be run as it is to-day. The farmers are loud in their complaints that the wages of the workers have reached a level which makes it impossible for them to carry on cultivation, and that they will have no option but to lay the land down to grass. No one who has intimate knowledge of farmers will take such complaints too seriously. The outcry is loudest from the least efficient farmers, and they made the same complaints in the year or two before the war when the beginnings of trade unionism forced them to pay a shilling or two more on the miserably low wages then common. They will always grudge paying wages and prophesy ruin for the industry because of the rapacity of the workers. In good times as in bad they always fight stubbornly against any increase in wages. The workers need expect nothing from farmers except what they are able to force from them.

Nor does the creation of Wages Boards alter the position of the workers in any fundamental way. They may help

to protect the workers from the sweated conditions which obtained in some districts, but if we are to judge from the experience we have had of these Boards, they do nothing to improve conditions where there is any spirit or fight in the workers and where they have been accustomed to a higher standard. It is difficult to judge of their effect so far, because they have been in operation during a time of high prices, scarcity of labour, and rising wages. In the higher paid districts the minimum rates have been of no service to the workers. My experience has been limited to Scotland, where wages generally have always been higher than in England. The minimum rates fixed have been much below what the workers were able to secure by their own efforts. In the lower paid districts the minimum rates did effect an improvement, but they stereotyped the wages at the minimum rate. Even in those districts, wherever the workers could be got to organise and to disregard the minimum rates, they were able to force higher wages. Where they were content to rely upon the Wages Committees the wages rose more slowly and rose less, actually and comparatively, than where the workers exerted themselves on their own behalf.

But whether the workers organise themselves in trade unions to exert their maximum power, or rely upon Wages Boards to secure their wages, there is a limit beyond which they cannot pass, and that limit is decided by the net productivity of the industry. The trade unions or the Wages Boards cannot fix rates beyond what the employers are able to pay without sacrificing their profits. If they do the workers will not be employed. They will only be employed so long as the farmers see an opportunity of

making profit out of their labour. Unless the industry can be made more productive and leave a larger margin there is no surplus out of which improved conditions for the workers can be secured.

I have endeavoured to show the conditions under which this greater productivity may be sought. I do not hope for any substantial improvement with our present system of farming or with the present units of production. Unless we can reduce the net costs of production, and eliminate the waste of distribution, we cannot hope to make any adequate advance in the conditions of the mass of the workers. The industry cannot afford to carry the present bankrupt system of landlordism, or to find livings for the inefficient farmers, if it is to give reasonable conditions of living to the workers. We have to get rid of mere rent receivers and profit makers, and turn the industry into a social service before the future holds any reasonable hope for the workers.

While I am under no illusions as to the power of trade unions or Wages Boards, I would guard against any idea that I think the workers should relax their efforts. Within the limits inside which they are effective there is urgent need for better organisation of the workers in their trade unions. They have their part to play in forcing the pace of change in the industry. It is not a coincidence that the most efficient farming is to be found in the highest paid districts. I will go so far as to say that the higher wages demanded have been one of the most important factors in forcing more efficient farming, rather than that higher wages have been a result of better farming. Even if the workers should find that they are forcing wages to

the point where farmers find it difficult to carry on, they should not relax their efforts because of the danger of driving the farmers out of the business. There is no risk in agriculture of the workers demanding rates which will make them a pampered section of the community. If the farmers cannot pay the wages the workers find necessary to secure them a reasonable standard of existence, then the farmers must go and we must organise the industry so that the workers may be able to enjoy a reasonable standard of life. The alternative that the workers should sink back into the condition of semi-starvation so many of them were in a decade ago does not provide a way out. It would simply result in delaying the time when the land would be allowed to tumble down again because the workers refused to remain. The workers must continue to exert their industrial pressure at the same time as they use their political power to secure the necessary changes in the industry.

As the pressure of the workers on the industry became effective and the demands of the community for a more efficient industry were given effect to, the position of the worker would improve greatly. In a more efficient and a larger scale industry there would be more opportunities for the workers specialising. There would be room for better grading of work, more openings for men prepared to accept responsibility, and greater scope for training and advance. Along with this would go better educational facilities, and the workers would have the opportunity of sharing in the technical training at present reserved to the farmers and their families. Rural society would not be divided horizontally as it is to-day. There would be

more variety in the rural community and the economic barriers which confine the workers to the less interesting and more laborious tasks would be removed. There would be more opportunity of creating a real community in place of the classes whose boundaries are so rigidly fixed to-day.

The future I see for the workers is quite different from that of the advocates of the " agricultural ladder " who want to create small holders, who may climb to be small farmers, and perhaps even large farmers. That is merely to provide a few outlets here and there by which a few of the workers can escape, leaving the mass where they are, working in a small scale precarious industry, where the net productivity will never admit of more than a bare subsistence. I want to see the industry made a definite social service, properly equipped with capital, using the most scientific methods of production, developing labour-saving machinery to increase its productivity, and offering scope to all the workers to become real partners in the industry. The advocates of small holdings appeal to a sound instinct in the workers. Because agriculture has remained a small scale industry and the tradition is yet strong amongst the workers that they ought not always to be working for another man's profit, the appeal of a holding of their own has more force with them than with other classes of workers. The fact that the active demand is less than the politicians would have us believe does not mean that they are reconciled to their present position and prospects. It is simply because they have too real a sense of the difficulties of the small holder under modern conditions and do not believe that it provides the way of escape.

But that they will assert their human right to some share in the control of the industry in which they are engaged, in common with other workers, is certain. They are taking the first steps in that direction now by insisting on their right to determine conditions of employment. They have made a beginning by securing definite regulation of working hours, and in fixing other conditions. Other workers began in the same way and have gone on stage by stage until they find that from merely defensive efforts they have moved on to positive acts of control. The demand for a share of control in industry is being made in all industries and in many countries, and it is clear that industry in the future must become a democracy. It is in this direction that the workers in agriculture will secure their freedom, not by turning back the industry by individualist division of the land amongst small cultivators, but in the development of association and organisation in which the individual will express himself in his community.

I am well aware that I shall be accused of making a vague and idealistic claim for the future of the workers in agriculture. I purposely refrain from making any suggestions how the claim to share in control will be met, because it would be absurd to lay down any scheme in an industry which has not yet developed beyond the stage of private control by a multitude of small capitalists. Anything in the nature of workers' control in present circumstances would be merely farcical. The units must be increased considerably before the workers can hope for any alteration in their relation to the industry, while the workers themselves are only at the beginning of

organisation and collective action, and some time must elapse before they can evolve a corporate existence. I am content to mark the trend and to state the claim, leaving to time the working out of the particular method that may be adopted.

Nor is it my intention to outline any programme of immediate reforms in the conditions of the workers, or to discuss such proposals as profit-sharing, about which we hear so much in these days. The workers are well enough able to state their claims and will do so as opportunity and the need arise. There is one reform, however, upon which the community would be well to insist in its own interest, and that is the abolition of the tied house. Here the rural worker labours under a disability which does more to hamper his freedom and to deny him the status of a citizen than any other condition. It is not merely that the tied house is usually a bad house. In the nature of things it will always be more difficult to apply the ordinary housing legislation to the tied houses because the occupiers have not the same power to insist on decent standards being maintained. The worst defect of the tied house system is that it makes any real freedom impossible in rural districts. Where the tied house system is general, the workers are under the power of the farmers, who are never diffident about applying their power. They may never have to use their power openly but it is always there and it is always in the back of the mind of the workers whenever they make any effort to alter conditions. Only those who have been associated with the workers in any efforts they have made to improve their conditions can know the real power the control of the housing gives the

farmers. Every rural worker who makes himself prominent on behalf of his fellow knows that he is placing not merely his employment in jeopardy but is risking his home also and that he must be prepared to face the risk of being homeless as well as unemployed. It is not good for the community that the farmers should have such power over their workers, and it is not good for the State that any of its workers should feel they are such helots as the tied house system creates. A minimum of housing available for the necessary stockmen is required for most farms, but there is no justification whatever for the housing of all the workers being in the hands of the farmers, as is the case in some parts of England and all over Scotland.

Conclusion.

I have purposely refrained from attempting to lay down a definite and detailed agricultural policy. By doing so I have laid myself open to the charge that I have been prodigal in criticism but niggardly in construction. I might have anticipated such a charge by detailed proposals, but I am willing to let my critics have the satisfaction that I accept their criticism. The diversity of conditions we have in this country and the scope of the industry make any serious student chary of attempting to formulate definite schemes. All we can do is to lay down a few general principles and leave the working out of these to the experience gained in action. Our greatest need is to accumulate data and to learn by doing, leaving the schemes to evolve in the light of knowledge gained. I shall endeavour, however, to summarise the arguments of the preceding chapters.

The present system of ownership and control of agricultural land shows a progressive failure to serve the needs of the agricultural industry. The landowner cannot maintain the permanent equipment of the land in a state to enable farming operations to be carried on efficiently. The management of agricultural land is not conducted as a business, but is incidental to the ownership and control of the land for social and political purposes. The community has been increasing its control and management of the land by legislation and administration. I see no hope for any proper management of agricultural land unless

the community makes itself directly responsible for seeing that the land is financed and managed so that the best use can be made of its productive powers. I believe that the logical solution to which the community will ultimately be driven is the nationalisation of land, but until that is achieved we ought to make the agricultural departments of the state working through county or local committees, representative of the industry and the community, responsible for the maintenance and management of the permanent equipment of the soil.

Our farming is less productive than it ought to be because of the failure of the private owners of the soil to perform the only function which could justify their existence. If the community accepts responsibility for the management of the land and provides the necessary capital, many of our farmers, given reasonable security of tenure and fair rents, would develop their holdings with real benefit to the community. There is a class of farmers, however, who take to the industry as a way of living and who have neither the skill nor the enterprise to make the most of the land they hold. We cannot afford to allow land which is capable of cultivation to be let down because the holders are content to seek ease and safety where enterprise and energy would bring a fuller return to the community. The agricultural departments working through the county or local representative committees should be charged with the duty of maintaining a standard of cultivation and should have power to remove farmers who in their opinion are not making the best use of their opportunities. The committees must be prepared to take

over such farms or estates and farm the land for the community. The committees must accept the responsibility for carrying out the policy they are prepared to enforce upon the farmers.

The industry should be made to stand upon its own feet without protection from foreign competition or guarantee of prices. So far as we can see that will mean a very severe test for the industry on the productive side and if the present organisation of the industry is retained, it may be that it will not be able to maintain cultivation on the world prices ruling. There is no good reason why we should maintain the present organisation of the industry, if it can be shown that by working with larger units we can produce more efficiently and economically. We have not enough data meantime to enable us to say what is the best unit for productive purposes, and we ought to experiment with large scale farms, and at the same time work steadily to discover costs of production in the industry as a whole. The large scale farms should be organised under the agricultural departments and committees.

I reject the idea that the industry can develop best under a system of small holdings, both from the point of view of production and the social effects on the workers. There will always be room for small holdings in special districts and in certain forms of production, but these can never be more than minor incidents in the general agricultural policy of the country. The great bulk of the land in a complex civilised community such as ours, maintaining a large manufacturing population, will give the best return

and provide the best social conditions for the workers, if handled in units employing ample capital and modern machinery.

The enormous waste in marketing and distribution of agricultural produce which occurs to-day must be eliminated. In milk that can best be secured by organising the distribution by local authorities and in other commodities by an increase in the operations of consumers' co-operative societies. Transport is a problem that will have to be dealt with nationally.

Finally the community should engage in farming directly; not only under the agricultural departments and the agricultural committees, but local authorities should be encouraged to run their own farms, and co-operative societies should grow more of the products they distribute. Even if our local authorities were to engage in the production of the commodities which they have to buy in the market for their institutions, and for the maintenance of many public services, there would be a direct saving of cost, which would do much to enable the workers engaged in the industry to secure more reasonable conditions of existence.

What is the alternative to the policy I have outlined? If we leave the agricultural industry to muddle along as it is doing to-day, we must face a progressively deteriorating land system. The present owners will neither maintain nor manage the land properly. If we leave farming to be the private speculation of those engaged in it, we have either to face a system of protection or bounty, or allow the land to be let down to the point where the

farmer can make a living or scrape a profit by farming safely, but unenterprisingly. Protection or subsidies may induce a measure of cultivation, but are wasteful expedients and in this country are never likely to be permanently adopted. It is more likely that we should find the land underfarmed.

If we are in earnest in seeking to make the best use of our land, and if we mean to maintain a rural population with a standard of living that will make it worth while for the workers to remain in the industry we must make the industry more productive. The margin in the industry as it is conducted to-day is not sufficient to provide the necessary improvement in the condition of the workers, and unless we are prepared to make fundamental changes, the danger is that the demand for labour will decrease and the national resources in the land deteriorate. Private ownership of land has broken down, and private enterprise in farming is not capable of meeting the needs of the community. The only hope lies in the community making itself responsible for the industry and in setting to work to organise it as a definite public service.



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